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NEWS SUMMARY

S. Korean Cabinet resigns in scandal

South Korean Premier Yoo Chang-soon and his Cabinet offered their resignations...

Kenya's political rift widened when President Daniel Arap Moi expelled the former vice-president Oginga Odinga...

Two people were killed and four injured when an aircraft carrying seven British wine dealers crashed near Paris.

Moscow has renewed calls for improved relations with China and sent a senior Foreign Ministry official to Peking.

The secretary of Ian Paisley's Democratic Unionist Party, the Rev William Beattie, escaped injury when a bomb on the doorstep of his home...

Italian police arrested 12 suspected Red Brigades terrorists in two separate operations.

Saboteurs in Mozambique have blown up part of the oil pipeline which links Zimbabwe to the Indian Ocean.

Heavy fighting between Iran and Iraq was reported in the Iranian oil-producing province of Khuzestan...

At least three people have been killed in a spate of Hindu-Muslim rioting in the western Indian city of Baroda.

Two of three senior staff members of Warsaw University, interned after demonstrations last week, have been freed...

A Commons select committee has split along party lines over a report on whether to charge overseas visitors for hospital treatment.

One of San Francisco's major tourist attractions—the cable cars—could be out of action for several weeks...

Stiff increases in penalties for video pirates have been called for by the British Videogram Association.

A fashion show for dogs, which included mink coats, was held in London.

Dominic Wigan had five winners out of seven selections at Goodwood.

Table with 3 columns: Item, Price, Change. Includes BEC, GEC, Adams & Gibson, etc.

Task force ordered to retake Falklands

BRITAIN'S naval task force has been given orders to retake the Falkland Islands...

source yesterday made it clear that a new phase has begun as the Government resorts to the all-out use of its task force...

clear yesterday that while Admiral Woodward has been ordered to retake the islands as fast as he sensibly can...

MRS MARGARET THATCHER cleared the way yesterday for an early intensification of military action against Argentine forces on the Falkland Islands.

French hint at special EEC status for UK

By David White in Paris. M. Claude Cheysson, the French Foreign Minister, hinted strongly yesterday that Paris may revive the idea of a special status for the UK...

U.S. direct sales to Iran rose to \$300m (£160m) after standing at \$20m in 1981...

STERLING lending to the private sector rose £1.89bn, seasonally adjusted, in the five-week April banking month...

Table with 3 columns: Item, Price, Change. Includes American News, Gold Markets, etc.

home and in rapidly changing winter weather could not realistically be too tightly controlled from London.

For this reason—as well as because British forces in the South Atlantic are outnumbered at least two to one by the Argentines—there will be no full-scale invasion.

A big split in the Labour ranks also emerged as Mr Tony Benn threatened to force a vote at the end of the debate...

Economy still in doldrums

The BRITISH economy remained in the doldrums during the first three months of the year, according to official figures...

Table with 2 columns: Year, Output (1975=100). Shows 1981 1st, 2nd, 3rd, 4th and 1982 1st.

previous quarter, although activity is about 1 per cent above its lowest level last year...

Table with 3 columns: Item, Price, Change. Includes Rainfall, Share Information, etc.

can not only control the fighting in this way but can win. However, they appear to have in mind a time-table of weeks, rather than days or months.

It is argued that the force will have the advantage of surprise, and that its officers and men are better trained and in better spirit than the Argentines.

HELICOPTER CRASHES IN CHILE

Rescue teams were searching yesterday for three crew members of a Royal Navy helicopter which was lost over Chilean territory on Tierra del Fuego...

Talks on aero-engine venture

AN INTERNATIONAL consortium involving some of the world's largest aero-engine manufacturers is likely to be set up this summer...

Table with 3 columns: Item, Price, Change. Includes Dash 7 design, Rolls-Royce, etc.

Contents

Advertisement for King's Cross 43,500 square feet office building. Includes 'LOWEST ANTICIPATED GENERAL RATES IN CENTRAL LONDON APPROX. £6.90 sq. ft. p.a.' and 'DRIVERS JONAS' logo.

Tax cuts approved by Italian Cabinet

By Rupert Cornwell in Rome

THE ITALIAN Cabinet yesterday approved an important package of tax cuts that will reduce the overall income tax burden by L2,050bn (€882m) this year alone...

Why farm vote may change Community less than expected

BY JOHN WYLES IN BRUSSELS

THE LOOMING argument within the EEC about whether farm prices spells the end of the right of national veto will undoubtedly breathe new life into the debate on the need for greater supranationalism in the Community.

Tuesday's majority vote could thus prove to be a Pandora's box releasing all kinds of political pressures hostile to reinstating the national veto or anything approaching it.

majority voting the prospect of speeding decisions and the possibility of policy developments strengthening the move towards genuine European union.

developed in which—even on minor issues and in quite humble circles—states can obstruct agreement for reasons which they know full well to be insufficient, but which are never brought into the open...

This recommendation finds its echo in the so-called Gensch-Colombo proposals for a draft European Act aimed at strengthening EEC policies, procedures and political cooperation.

day—a coincidental but timely opportunity for starting to resolve the current procedural quandary.

which denies the Council exclusive and ultimate power of decision through the creation of a Chamber of States which would share policy-making powers with the Parliament.

There have been no tears shed this week in the European Commission nor in the Benelux countries for the overriding of the British veto. Rather, there is a happy sense of opportunity, which will be widely shared in the European Parliament, to set the Community on the road which the Treaty of Rome said it should take from January 1 1966.

Full use of majority voting was frustrated by France whose opposition led to the now-celebrated Luxembourg compromise of January 1966.

Compromise abused Their report, nevertheless, saw plenty of room for improvement in proceedings to ensure more speed and coherence in decision-making.

It recalled that the Paris summit of December 1974 had agreed that the best course was to stop demanding unanimity on a whole range of issues.

The council would take note of them and defer its decision to its next meeting. But the same member state could again prevent a decision at that meeting if it chose.

But these proposals are largely an attempt to make an inter-governmental system work better. A greatly contrasting philosophy to be found within the European Parliament's newly created institutional committee is that the national veto is an inevitable by-product of an absurd system enshrined in the Treaty.

But the practical reason for the Council's use of majority voting is that the EEC budget is so long and detailed that it would take a lifetime to secure unanimity on every entry.

That date was to mark the second stage of the EEC's construction, through the use of qualified majority voting.

This requirement has rarely been invoked formally but has been implicit in most discussions in the Council of Ministers. It is held widely to be responsible for the snail's pace of decision-making there.

There can also be no doubt that an atmosphere has

Member states have not done so, however, and the question now is whether they will try to reach a hindering agreement on when the veto is appropriate.

The Gensch-Colombo draft has been worked on for months by officials and will be discussed by foreign ministers next Mon-

Wide reform This committee is charged with preparing by next year a new draft Treaty on European Union and its rapporteur, Sig Aldo Spinelli, argues that member states need a veto at present because they are responsible for trying to marry national policies to common EEC policies.

The alacrity with which Britain has demanded reinstatement of the Luxembourg compromise and with which France and West Germany have insisted that it still exists points to powerful forces in favour of a formal resurrection.

West German unions battle to regain their confidence

BY STEWART FLEMING IN FRANKFURT



Herr Breit... integrity and a cool intelligence

WITH PALPABLE relief the 525 delegates at the Twelfth Congress of the West German Trades Union Federation (DGB) voted overwhelmingly on Wednesday for Herr Ernst Breit, (head of the postal workers' union) to be the DGB's new chairman.

been able to deliver the workers not just higher wages but also increasing power on the shop floor and a social security network of fabled generosity.

on the board. It was also revealed that Herr Vetter, the DGB chairman, Herr Alois Pfeiffer, a DGB board member, and Herr Eugen Loderer, the head of the most powerful union, had been investing heavily in tax-sheltered housing through Neue Heimat.

In part this crisis stems from the evidence that union officials have been so well rewarded at a time when the rank and file is facing mass unemployment.

of how rank-and-file trust in its leaders has been eroded. That it was in part the DGB itself which adopted policies that led to a wage settlement this year below the likely rate of inflation is one explanation for this mood.

Jaruzelski visits Bulgaria

By Christopher Bobinski in Warsaw

GENERAL Wojciech Jaruzelski, Poland's military leader, left Warsaw yesterday for a visit to Bulgaria at the head of a government and party delegation.

The visit is the latest in a series of trips designed to emphasise the effectiveness of martial law in Poland. General Jaruzelski is also seeking ways of easing the country's economic plight.

He has already been to the Soviet Union, East Germany, Czechoslovakia and Hungary, and was accorded a hero's welcome everywhere.

On Wednesday, General Jaruzelski met General Viktor Kulikov, the Warsaw Pact commander and on Monday, Mr Konstantin Busakov, the Soviet party secretary responsible for relations with Eastern Europe.

The talks will no doubt have touched on Polish Government policy following the demonstrations and clashes with the police at the beginning of May and the stoppage called by Solidarity on May 13.

The communiqués following the meetings reveal little apart from the fact that the atmosphere was friendly.

As this year's congress opened, the once so self-assured union leaders were facing the nightmare that the meeting would turn into a running battle between the union's professional leadership and the shop floor delegates.

These investments were perfectly legal, Herr Vetter and Herr Loderer were members of the Supervisory Board of Neue Heimat, however, a board which had failed to carry out its supervisory functions adequately.

Just how high feelings run on this issue was evident from an article in the authoritative weekly newspaper Die Zeit this week. It recounts the anger among rank-and-file unionists about union officials who are pocketing the fees they earn from membership of corporate Supervisory Boards.

Another is that, because of their traditional support for the Social Democratic Party (SPD), the unions have not been tough enough in their policies towards the SPD/FDP coalition since 1980.

There are few illusions that with the election of Herr Breit a new dawn is breaking. He is a man with a reputation for integrity and a cool intelligence. The enthusiasm for his election was the best evidence there could be that the union leaders had taken the right decision in dropping Herr Pfeiffer as their candidate.

With economic conditions at home not improving and the news magazines still unearthing new union scandals, connected with Neue Heimat the fight to restore the members' confidence in the union leadership promises to be a long one.

Her Breit's election was the first thing that the delegates, a mixture of shop floor workers and union functionaries, had had to cheer about since the congress had opened in West Berlin the previous Sunday.

At one level, the ugly mood which has gripped a considerable section of organised labour in West Germany may be explained by the mixture of financial malpractice and misjudgment revealed in the union-owned building company Neue Heimat.

Union leaders at this week's congress were urging the delegates to put the past behind them and to concentrate on the issues of unemployment, economic policy and wages.

Created gulf

It is not just the financial affairs of union officials that have created a gulf between the members and the leaders. At the beginning of the Congress, Herr Loderer, of I G Metal, found himself defending union officials involvement in top-level talks with political leaders, including Chancellor Helmut Schmidt.

Traditionally the DGB's congress had been an occasion for organised labour in West Germany to demonstrate its cohesion and power. It has been a chance, too, for the membership to show their enthusiasm for union leaders and functionaries. These have, through most of the post-war economic period,

In February Der Spiegel, the weekly news magazine, disclosed that there were questionable dealings at the head of the company, which quickly led to the sacking of Herr Albert Vetter, its top executive, and four of his closest associates

His defence, that the union leaders go to such meetings to represent, not to betray, the membership was one indication

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If you're in the business of designing, building or selling new homes, GasWarm will be right up your street.

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No wonder the advertising theme chosen to launch GasWarm is based on the favourite Happy Families card game. Happy Families is what living in a GasWarm Home is all about.

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British Gas' investment programme will maintain that value for generations to come.

The Housing Development Manager of your British Gas Region has a full pack of information about GasWarm: contact him now to receive your winning hand.



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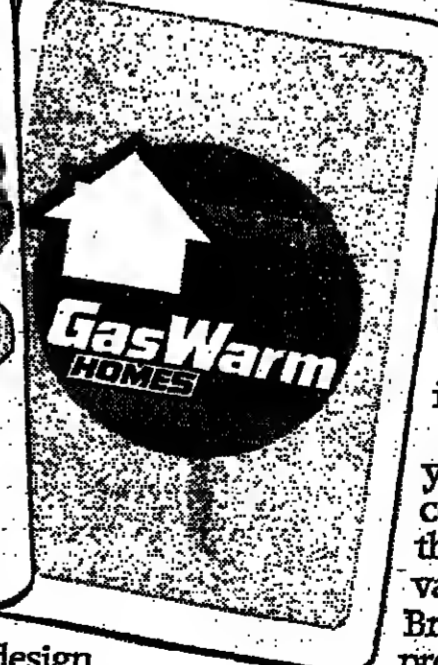
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EUROPEAN NEWS

Schmidt gives strong backing to Spain's membership of EEC

BY JONATHAN CARR IN BONN

THE WEST GERMAN Chancellor, Helmut Schmidt, has reaffirmed strongly his country's support for Spain's entry to the European Community. Madrid's desire for membership, underlined the unbroken vitality and attraction of the EEC, "despite terrible current difficulties," he said.



Mr Nitze (left) and Mr Kitzinski meet at the Soviet mission.

Pacifism in Soviet recruits criticised

BY OUR PEKING CORRESPONDENT

MOSCOW — The head of the Soviet armed forces' political wing, General Alexei Yepishov, has sharply criticised signs of pacifism and indiscipline among young recruits to the army and navy.

Speaking at a congress of the Soviet Young Communist League (Komsomol), the general said young men occasionally proved to be neither physically nor ideologically prepared to defend their country. His speech was published yesterday by Red Star, the Defence Ministry daily newspaper.

Talks resume on reducing nuclear missiles in Europe

BY DAVID BUCHAN, EAST EUROPE CORRESPONDENT

U.S. AND SOVIET negotiators yesterday resumed negotiations to reduce medium-range nuclear missiles in Europe, after a two-month recess in the Geneva talks which has seen a flurry of disarmament statements from both Presidents Ronald Reagan and Leonid Brezhnev.

OVERSEAS NEWS

Moscow renews overtures to Peking

BY OUR PEKING CORRESPONDENT

MOSCOW has again called for improved relations with China and a senior official of the Soviet Foreign Ministry is visiting Peking.

Moscow has been pushing hard for an improvement in relations since the middle of last year. Those attempts reached a peak in March when Mr Brezhnev, the Soviet President, made a speech in Tashkent calling for an end to hostility between the Communist powers.

Sino-Soviet relations and the latest commentary seemed milder in tone than others. Diplomats also noted that Moscow's continuing efforts to achieve a thaw in Sino-Soviet relations coincided with difficulties between the U.S. and China over Taiwan.

Labour bid to topple Begin rebounds

JERUSALEM — An unsuccessful opposition Labour Party attempt to topple Israeli Prime Minister Menachem Begin on Wednesday appeared to have rebounded yesterday as the Government moved to strengthen its grip on power.

'Shift in U.S. policy' angers Taiwan

BY TONY WALKER IN PEKING

JUDGING by this week's negative reaction in Taiwan, the recent visit to Peking of Mr George Bush, the U.S. Vice-President, marked, in Taiwanese eyes, a significant shift in U.S. policy over the vexed question of arms sales and on proposals for re-unification between the island and mainland China.

by President Reagan's qualified endorsement of Peking's latest proposal for re-unification advanced last September. The proposal, put forward by Marshal Ye Jianying, China's de facto head of state, called for frank reciprocal talks and suggested as a basis for negotiations that the Chinese side would be prepared to enter into a power-sharing agreement with the Nationalists.

In Peking, Western diplomats are still attempting to assess exactly what was achieved by Mr Bush's visit. Most say that it has given the two sides some breathing space in the long-running dispute over arms sales to Taiwan.



Mr Chiang Ching-kuo: no compromise with the Communists

The tactics used in persuading two Likud parliamentarians to defect to Labour have divided the opposition. Although Wednesday's stormy debate in the Knesset (Parliament) was supposed to focus on Israel's economic woes, it developed into an acrimonious argument over political horse-trading. Government officials suggested yesterday that it had improved Mr Begin's position. Mr Begin's aides said they would ask the small Telem party, which controls two Knesset seats, to join the coalition.

ANDALUCIA'S CRUCIAL ELECTION

Spain's Socialists hope for lift-off to power

BY ROBERT GRAHAM, IN MADRID

ANDALUCIA HAS lived up to its picturesque image during the campaign for elections to the region's first parliament. At the start of the campaign a statue of the Virgin Mary in a Granada church was found one morning with tears in her eyes.

Spadolini wins easy confidence vote

Sig. Giovanni Spadolini's five-party coalition easily won a vote of confidence in parliament early yesterday on vital economic legislation. Reuter reports from Rome. The Government called the vote to push through legislation on severance pay for redundant workers that the tiny Radical Party and the neo-Fascists had threatened to swamp with amendments and filibusters.



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Kaufman predicts U.S. borrowing will be \$180bn

BY ALAN FRIEDMAN IN VENICE

THE U.S. Government may need to borrow \$180bn (£98bn) next year, leading to a major "market confrontation" between the public and private sectors and a significant reduction in the ability of U.S. corporations to make capital outlays, according to Dr Henry Kaufman, the Salomon Brothers economist.

Dr Kaufman made this prediction and attacked the monetarist policies of the U.S. government during a speech yesterday at the annual meeting of the Association of International Bond Dealers in Venice. The closer the adherence of the U.S. Federal Reserve to monetarism, the more volatile dollar interest rates would become, he said.

A well developed fiscal policy continues to elude us in the United States," he added, noting that the problem of the U.S. budget was likely to remain unresolved until the autumn.

Dr Kaufman reiterated that U.S. interest rates would rise higher this year and said the private sector would be the main victim.

Because of the possibility of 1983 U.S. government borrowing being 50 per cent above this year's level, U.S. corporations would be crowded out of the markets.

The U.S. government, meanwhile, would "have to tap the entire maturity spectrum in an unprecedented way."

The course of present U.S. policy would lead to the "crowding out" of corporate borrowers and would allow neither an im-



Dr Henry Kaufman, Salomon Brothers economist: attacked U.S. monetarism

provement in corporate health nor a stable U.S. interest rate structure.

More money would be required to fund the U.S. budget deficit, which would be at least \$150bn in 1983. This in turn would be at the expense of "draining the vitality of the U.S. private sector."

Dr Kaufman doubted that the Federal Reserve would "veer quickly away from its quasi-monetarist approach."

"The hope for all of us is that opposition to monetarism will coalesce if America is to avoid further mishaps in the future," he said.

U.S. policy on Central American aid rejected

By Anatole Kaletsky in Washington

THE SENATE foreign relations committee, in a major setback for U.S. policy in Central America, has in effect overturned President Reagan's Caribbean Basin aid programme.

The committee voted on Wednesday night to transform the Administration's proposal—to provide \$350m (£192m) bilateral aid directly by the State Department to Central American countries—into a multilateral aid programme to be administered by the World Bank.

The unexpected vote came after a long debate on the controversial programme, which liberal congressmen have alleged is little more than a front for increasing U.S. aid to El Salvador.

The Administration had planned to give El Salvador \$125m of the \$350m under the Caribbean Basin plan.

The Administration has said it will try to reverse the vote, either in committee or on the Senate floor.

Senator Christopher Dodd, a leading critic of the Administration's El Salvador policy, introduced an amendment changing the aid request into a "trust fund" to be operated by the World Bank.

He argued that a multilateral fund, with no possibility of political control by the U.S., would be more likely to attract the support of other donor countries.

The Caribbean Basin plan was originally devised by the U.S. in conjunction with the governments of Canada, Mexico and Venezuela.

Other governments had also indicated a willingness to support the plan for a free trade zone and accelerated development in the area.

But differences over the politics involved in the allocation of aid have led the original sponsors of the plan to operate separate aid schemes, rather than pooling them in an initiative.

William Chislett in Mexico City reports on the effects of the country's financial crises Big-spending Mexico tries to tighten its belt

ONCE THE symbol of Mexico's rapid emergence as a major oil producer, the 52-storey tower under construction for Pemex, the state oil concern, is now a monument to the country's ill-forgotten financial crisis.

Mexico's severe financial crisis has caused the Government to halt work on the \$150m (£83m) tower which dominates the Mexico City skyline.

The tower, started over a year ago when Pemex was expanding its production so quickly that its personnel were cramped in its four 12-storey buildings, is well advanced. But the massive steel construction, the largest modern building in Latin America, is already a white elephant.

The world oil glut, which has made Mexico's main sources of revenue plummeted, the enormous extra cost of servicing the country's total public and private sector foreign debt of \$85bn by year end, which has been pushed up by the 45 per cent devaluation of the peso; the very high public sector deficit; and 60 per cent inflation have all combined to force the Government to rein in expenditure.

After four spectacular years of an 8 per cent annual growth in real terms, the Mexican economy will not grow at all

over the next 12 months. "We grew far too quickly," said Sr Jesus Silva Herzog, the new Finance Minister, who took over six weeks ago.

Apart from the Pemex Tower, the first stage of Mexico's \$30bn programme to install 20,000 Mw of nuclear power by the year 2000 will be postponed. The extension of the Mexico City underground railway system to outlying Nezahualcoyotl—with 2m inhabitants—reportedly the largest slum in the western hemisphere will also be slowed down.

The impact of the economy's stagnation will be enormous. Unemployment levels in a country, where 40 per cent of the 19m labour force still does not have a permanent full-time job and 20m Mexicans are severely underemployed, will rise dramatically. Two hundred and fifty thousand workers contracted by the Government have already been told that they will not be hired again.

While the economy grew by 8 per cent, Mexico created 800,000 new jobs a year. The number needed to meet the needs of the country's exploding population of 70m. This year very few, if any, new jobs will be created and some of those already created will be lost.

The private sector is not a great deal healthier than the Government. Group Industrial Alfa, Mexico's—and Latin America's largest private company, with interests ranging from petrochemicals to consumer goods, declared a suspension of principal payments on its \$2.3bn debt last month. Alfa is now hastily trying to sell off some of its companies to the Government to avoid collapse.

Other companies are also cancelling expansion plans and taking a very cautious approach.

The dramatic turnaround in the economy will force even more impoverished Mexicans to flee their homeland and cross the border with the U.S. illegally in search of work. However, the Reagan Administration is cracking down on illegal aliens, because of its own recession.

The country's belt is being tightened at a politically sensitive time, when, for the first time, the Left is challenging the long-ruling Institutional Revolutionary Party (PRI) in the general elections on July 4.

Three months after the peso's devaluation, the Government has finally started to put its crumbling house in order and restore a little of the seriously shaken international confidence in the country. The Government has

completed the broad outline of budget cuts and started to implement them. Most of the cuts have been made in new Government buildings and also in defence spending.

The cuts are not as great as had first been indicated, however. It now appears that, in effect, the 2.3 trillion peso budget (\$71.7bn) will be cut by 4.5 per cent, not 8 per cent as first stated a month ago.

The Planning and Budgeting Ministry announced that the 8 per cent cut is based on 1.8 trillion pesos of current and capital expenditure, since the other 1.5 trillion pesos are mainly set aside to service the debt and pay the Government's wage bill, cannot be reduced.

Both debt servicing and public sector wages have been considerably increased from the original estimate of 1.5 trillion pesos. The devaluation has effectively doubled the cost of the country's dollar debt. The surplus 10-30 per cent additional wage increase, awarded after the devaluation, has also pushed up the Government's wage bill.

The budget cut now appears to be only 150bn pesos (\$3.2bn) and not the 260bn pesos as people were originally given to believe. Nonetheless the cuts will make very little impact on the ballooning deficit as they will be more than swallowed up by the extra cost of servicing the debt and the Government's higher wage bill.

So many programmes are underway which the government feels cannot be cut, like the expansion of the steel sector, and Mexico's domestic financial resources are so inadequate, that the Government says it has no option but to borrow an extra \$11bn abroad, on top of \$18bn in 1981, to finance the current account deficit of \$9bn.

Principal and interest payments on the year-end public sector external debt of \$63bn will devour this year's anticipated \$13bn to \$14bn of oil revenue, making the Pemex tower a cathedral in a desert.

El Salvador shelve land reform scheme

BY ANATOLE KALETSKY IN WASHINGTON

THE EL SALVADOR Constituent Assembly has suspended the agrarian reform programme which was central to the political and social changes introduced by the recently ousted Government of Mr Jose Napoleón Duarte, with strong U.S. support.

The Assembly's decision suspends, for one crop cycle, the rights of tenant farmers and share-croppers to acquire titles to the land they work.

Technically they would regain these rights after the current crop cycle, which lasts one year for most crops, but four years for sugar cane.

The measure was introduced at the behest of Sr Alvaro Magaña, the new "moderate" president of El Salvador, who argued that sugar and cotton planting by landowners had fallen drastically because of the threat of expropriation.

Date set for IBM hearing

By Richard Lambert in New York

THE U.S. Justice Department and IBM have failed to persuade a judge to drop a review of the department's decision earlier this year to abandon its 13-year-old anti-trust case against the company.

U.S. District Judge David Edelstein has refused to disqualify himself from the inquiry.

The Justice Department has argued that Federal law gave the Government and the defendant the right to dismiss a case voluntarily without judicial approval.

Despite strong objections from IBM, Judge Edelstein has now scheduled a hearing for June 21 to consider whether the original dismissal of the case against IBM by Mr William Baxter, U.S. Assistant Attorney General, involved a conflict of interest.

U.S. officials warn on advanced Soviet fighters

WASHINGTON — The Soviet

Force Secretary, said this week that the expected new Soviet aircraft include a ground-attack jet called the SU-25 and two fighters not yet designated.

Evidence exists that the new Soviet aircraft are being fitted with more powerful engines for greater range and manoeuvrability, he added.

Mr Keel acknowledged that the U.S. F-15s and F-16s will probably continue to have an edge in air-to-air combat range. American aircraft have better radar and weapons-fire control gear, he explained. But there was "reason to have concern about how long we can keep our technological edge."

Both men noted that the Soviet Union has been out-producing the U.S. in tactical combat planes. This year, they said, Russia will build about 130 combat aircraft compared with a U.S. output of slightly more than 200.

Farm equipment sales fall

BY RICHARD LAMBERT IN NEW YORK

RETAIL SALES of farm equipment in the U.S. are expected to fall 3 per cent this year in dollar terms, according to a survey of members by the Farm and Industrial Equipment Institute.

This represents a sharp deterioration since January, when a 5 per cent increase in sales over 1981 levels was expected.

The main reasons for the revised projections include low commodity prices, high interest rates, farmers' lack of capital and weak export markets.

The estimates underline the continuing problems being faced by agricultural equipment manufacturers, like International Harvester and Massey-Ferguson.

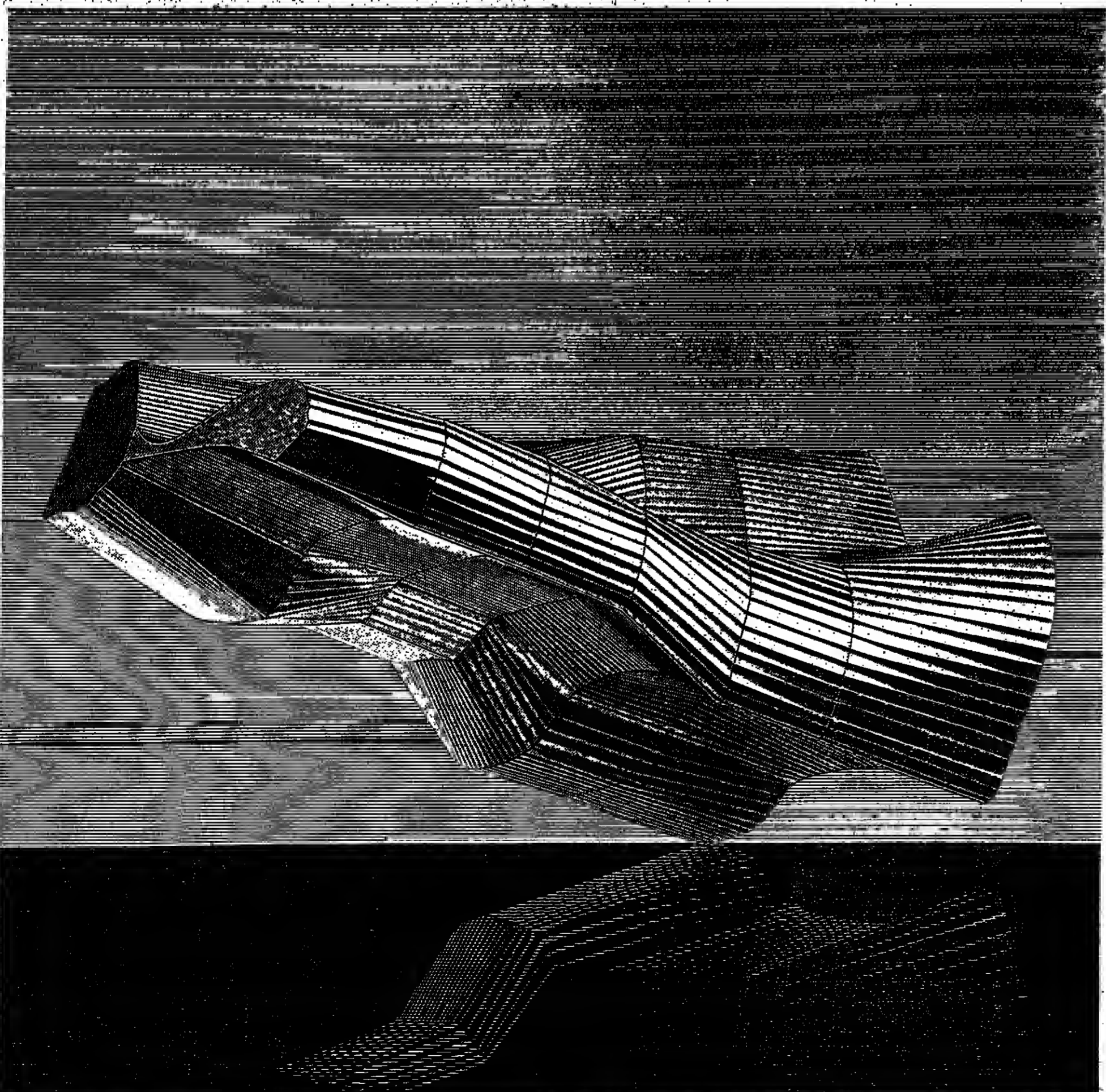
The expertise of leadership keeps the bond business in good shape.

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Handwritten note in a box at the top right.

Clampdown planned on illegal parking

By Hazel Duffy, Transport Correspondent. THE GOVERNMENT is to introduce powers enabling the police to use wheel clamps on illegally parked cars...

Post Office loan limits criticised

BY JASON CRISP. GOVERNMENT methods of controlling the finances of nationalised industries are criticised sharply in a report on the Post Office...

Government to end negative EFLs. The restriction on Post Office borrowing has cut the level of capital investment and resulted in delays to the programme to mechanise sorting offices...

Invergordon smelter reopening terms set

By Ian Rodger. THE Scottish Office has set the basic terms under which electricity would be provided to any company that would reopen British Aluminium's primary aluminium smelter at Invergordon...

ICI to build £30m nitric acid plant

BY SUE CAMERON, CHEMICALS CORRESPONDENT

IMPERIAL Chemical Industries plans to build a £30m nitric acid plant at Billingham, Cleveland, one of the biggest projects the group has announced in the UK for several years...

Wheel clamps are used extensively as a deterrent to illegal parking in the city and parts of Europe, and are already used at London Airport.

Technology hope. THERE is little prospect of an early improvement in Scotland's unemployment figures and the only glimmer of hope for new jobs is likely to come from the electronics and oil-related industries...

UK steel down. UK steel consumption recovered slightly in the second half of 1981, the Department of Industry estimates but over the year there was an estimated drop of over 5 per cent to 12m tonnes.

MPs split on NHS charges for foreigners in hospital

BY LISA WOOD. FEARS that Government plans to charge overseas visitors for hospital treatment will pose a threat to race relations have split a parliamentary select committee along party lines.

Select committee warning on supplementary benefit

BY LISA WOOD. A WARNING that Mr Norman Tebbit, the Employment Secretary, should not allow his wish to withdraw supplementary benefit from young people who refuse to join training schemes...

Early this month, the Scottish Office was given the go-ahead in principle by the Cabinet's economic committee to put together a rescue plan based on an offer of cheap power.

£12m liquid gas project

BY OUR CHEMICALS CORRESPONDENT. BOC plans to put up a £12m liquid gas plant in the South-East, probably at its site at Thame, Oxfordshire.

Datsun UK hits at Britain and Europe on prices

BY KENNETH GOODING, MOTOR INDUSTRY CORRESPONDENT. THE MOTOR INDUSTRY was accused yesterday of sending representatives "on a champagne flight" to Japan this weekend to perpetuate "a massive double con-trick."

UK reactor system backed

BY DAVID FISHLOCK, SCIENCE EDITOR. THERE is a case for staying with the technology one knows, and not changing course when the going gets rough — for example, in the debate over nuclear reactors...

Large advertisement for 'Tie up with TI' featuring the headline 'Tie up with TI' and 'TRADE INDEMNITY shows how Britain's hard-pressed business leaders can make more solid, more realistic profit-plans for 1983-4.'

Head office closes

STOWELLS OF CHELSEA, part of the Whitbread group, is to close its head office and the wine-bottling plant at Hatfield, by next January, with the loss of 80 jobs...

Welsh incentive

IN A move to encourage more private investment in industrial property, the Welsh Development Agency is undertaking to grant incentives on nine small advanced factories being built by Sinclair Developments, near Wrexham.

200 jobs lost

RANK XEROX is to axe 200 jobs at its Welwyn Garden City engineering centre, where new photocopying machinery is being developed in order to improve competitiveness with overseas suppliers, particularly Japan.

Stock reductions halted in first quarter

BY MAX WILKINSON, ECONOMICS CORRESPONDENT. A TWO-YEAR period of reductions in company stocks came to an end in the first three months of this year, according to official figures published yesterday. They show that manufacturers, wholesalers and retailers increased their stocks by £1.06m in the period, the first increase since the fourth quarter of 1979...

Table showing Investment by manufacturing industry in £bn 1975 prices. Columns: 1975, 1976, 1977, 1978, 1979, 1980, 1981. Rows: Total, Capital expenditure, Leased assets.

at about the same levels as in the last three months of 1981. Manufacturers built up their stocks of materials and fuel by £37m after a cumulative reduction of £1.23bn during the last two years. Stocks of finished goods were increased by £47m after a steady reduction during the previous 18 months.

Small advertisement for 'The Great Uncovered' with a pie chart showing statistics on trade debtors.

Advertisement section 1: '1 Know your assets. How many directors do? Your company's largest, most important asset is probably quite intangible: the money other people owe you. Your Debtor Asset.'

Advertisement section 2: '2 Have the right (scary) money-worries. Not the wrong (more comfortable) ones. In the ordinary way, Bad Debts are no problem. You provide for them.'

Advertisement section 3: '3 Admit: every business could be more efficient. Credit insurance cannot make a bad business into a good one. But it can make an efficient business more efficient.'

Advertisement section 4: '4 Let your top men do the job they are paid for. Uninsured credit is the thief of top management time. It is always the top man who has to worry about the poor payer.'

Advertisement section 5: '5 Cover your credit. There is only one way. You know your customers, of course. But do you know your customers' customers? Do you know the people who buy from them?'

Trade Indemnity Credit Insurance advertisement. Text: 'Trade Indemnity Credit Insurance takes the risk out of credit. Last year we insured more than £12 thousand million of business credit.'

Form for 'Tie up with TI' insurance application. Fields include: Name, Position, Nature of business, Company, Address, Postcode.

UK NEWS - LABOUR

Rail staff to set strike deadline over workshop redundancy plans

BY DAVID GOODHART, LABOUR STAFF

THERE could be another national rail strike next month unless the proposal for 5,000 redundancies in British Rail Engineering is dropped by June 7.

Mr Sid Weighell, NUR general secretary, believes that a showdown with BR and the Government is inevitable over the proposed closures of BR workshops at Shildon, County Durham, Horwich, Greater Manchester, and the partial closure of the Swindon facilities.

BR is also refusing to make a pay offer until it gets a formal response from Aslef, the train drivers' union, on the findings of the McCarthy tribunal in favour of flexible rostering.

Relations between Mr Weighell and Sir Peter Parker, the chairman of BR, have deteriorated seriously since their close liaison during the Aslef dispute earlier this year.

He said the Labour Party and the trade union movement must reach agreement on a national economic assessment for prices, incomes, investment and the balance of trade. The annual conference of Aslef yesterday gave unanimous backing to the TUC campaign against the Employment Bill.

Telecom staff in 6.75% deal

By Our Labour Staff

A PROVISIONAL pay settlement of 6.75 per cent has been agreed between British Telecom and the Post Office Engineering Union.

The deal, which includes an automatic 1.25 per cent productivity increase from next January 1, and a number of other productivity deals, will have to be ratified by the POU's annual conference next month.

The deal also applies to the smaller Society of Post Office Executives who represent 20,000 of the higher engineering grades.

Murray claim

MR LEN MURRAY, TUC general secretary, yesterday accused the Government of suppressing a Department of Employment report that backs the closed shop.

The report, by Professor John Gennard of Strathclyde University was commissioned by the department in 1979 and Mr Murray claims it has been in the hands of officials since December.

Seamen vote to defy Employment Bill

BY BRIAN GROOM, LABOUR STAFF

DELEGATES representing Britain's 35,000 merchant seamen yesterday voted to defy the provisions of the Employment Bill and use industrial action to defeat it.

However, an attempt to call a one-day strike for June 11 failed at the National Union of Seamen's biennial delegate meeting at Penryn, West Wales, when an emergency motion was ruled out of order.

The stoppage would have taken place the day after a one-day dockers' strike on June 10—designated Union Day for a leafletting campaign by the TUC—and would have halted shipping for a second day.

Mr Jim Slater, general secretary, said after the debate that he did not believe individual groups should go off at a tangent. He wanted early united action under TUC auspices, and

might press with other sympathetic union leaders for a one-day strike by most of the unions, possibly on June 10.

Mr Slater said earlier this week that he was pushing for an all-out strike led by transport workers and miners. This could begin either the day the Bill became law or the day before.

The General Council of British Shipping has told the seamen's union that another 11 companies want to negotiate pay deals outside the industry's national agreement this year.

Ten companies are: Atlantic Steam Navigation, BP Oil, BP Shipping, Caledonian MacBrayne, Crescent Shipping, Furness Withy, Jepsens Ship Management, North Sea Ferries, Ocean Fleet, Panoscan Anco and Geest Line.

Safety disputes hit Leyland

AN ALL-CLEAR given by a factory inspector has failed to halt the spate of safety disputes at the Austin Rover car assembly plant at Cowley, Oxford.

Production of the Rover and Ambassador range came to a standstill again for a time yesterday. Production has been

interrupted almost daily for more than a week by workers complaining of unsafe conditions.

A factory inspector visited the factory and examined the areas where two accidents occurred recently. He said working conditions were safe.

Firemen's union to switch fee collection

BY PHILIP BASSETT, LABOUR CORRESPONDENT

FIREMEN are to introduce a new system of paying union subscriptions after a local Fire Brigades Union official misappropriated £57,000 of the union's money.

This loss is thought to be one of the highest ever internal trade union misappropriation. The FBU's funds now stand at £1,780,344 for 1981.

In a closed session of the annual FBU conference in Bridlington, delegates endorsed a report from the union's executive on the issue, known in the FBU as the "Strathclyde defalcation."

carried out by Mr David Schooling, who was membership secretary of the union's 2,000-strong Strathclyde Brigade, the second largest in the FBU. After being convicted in March, Mr Schooling is serving a two-year prison sentence.

The executive's report on the defalcation states that it "consisted primarily of union subscriptions for the whole of 1981 up to the present time and a further sum for 1980 by way of a falsification of membership returns." The police and the banks estimated that £57,584 had been misappropriated. The FBU has now decided

that all local authority deductions of subscriptions from source should be paid directly to the union's head office, advising it of the total amount banked and the date, and the number of members represented by the money.

Brigades should have only one bank account, in the name of the brigade branch committee. Transactions would require the signature of two branch committee members.

The FBU is also considering a claim against the banks involved over their part in paying out money on the basis of forged signatures.

Women civil servants face 'bias' on seniority

By John Lloyd, Labour Editor

WOMEN'S CHANCES of gaining promotion in the upper reaches of the Civil Service are only two thirds of their male colleagues, according to the First Division Association—the union which organises top civil servants.

The association has asked its members to examine criteria they use when considering women candidates for promotion on the clerical level and above.

The FDA research shows that while rather more women are employed in the Civil Service than men, their promotion prospects are often dramatically lower.

Analysis of clerical officers entering the service in the 50s has shown that 26 per cent of the male officers were now senior executive officers or above and only 6 per cent remained in the clerical grades.

Reversed

Women, on the other hand, showed almost exactly reversed proportions—23 per cent remained on the clerical level and only 8 per cent had been promoted to senior executive levels and above.

Entrants at executive officer level over the same period showed a similar pattern. In the top grades, women who came in as administrative trainees were only two thirds as likely to be promoted to senior positions as men.

The FDA says that managers who promote civil servants should beware of "sex bias." They should not assume that women will leave the service for marriage and child rearing or that domestic responsibilities will interfere with their work.

Health service unions call more strikes

BY IVO DAWNAY, LABOUR STAFF

HEALTH service unions yesterday agreed to call two 24-hour strikes on June 4 and 5 to boost their campaign for a 12 per cent pay rise.

The TUC health services committee, representing 10 unions and over 600,000 NHS staff, announced the action yesterday after declaring the stoppage last Wednesday "enormously" successful.

The decision had been taken as result of growing pressure from the membership to extend the campaign against the current 4 to 5.4

per cent pay offer, a statement released by the committee said. The strikes replace a series of two-hour strikes due to begin on Thursday next week and weekly thereafter. Organisation of industrial action will remain at local level with local co-ordinating committees agreeing emergency cover arrangements with hospital managements as selective stoppages and other sanctions continue on a daily basis. The committee also reported

that a meeting of the Professional and Technical staffs council, which includes non-TUC bodies, had unanimously carried a resolution pledging backing for industrial action. The committee called on the TUC general council to communicate to affiliated unions the case for the health unions' claim.

Mr Albert Spanswick, chairman and general secretary of the Confederation of Health Service Employees, said that a call for further support, including sympathetic indus-

trial action, had not been made due to "constitutional factors". Mr Spanswick said that sympathetic action would have to be well organised or would be counter-productive. "We believe the battle will be won only by the health service staffs themselves," he said.

The committee believed that over 400,000 NHS workers had taken part in Wednesday's stoppage with more than 250,000 participating in strike action.

Stepping up the action cautiously

Ivo Dawnay looks at problems for the hospital workers

THE DECISION of the health service unions yesterday to step up their pay dispute with a further two 24-hour stoppages appears a cautious response to the mandate they claimed to have received from last Wednesday's strike.

Clearly the unions need to tread a careful path between the fears of the doves and the ever-vocal hawks who have been calling for an all-out indefinite stoppage.

Nevertheless, many health service workers may feel that the jubilant claims of Wednesday are hardly reflected in a call for action in a fortnight's time.

Earlier yesterday Mr Reg Bird of the Association of Scientific, Technical and Managerial Staffs had pondered the possibility of two-day stoppages to bring further pressure on the Government.

Moreover, on the day of the strike itself Mr Rodney Bickerstaffe, general secretary-designate of the National Union of Public Employees, talked of broadening the action with sympathetic support from other industries.

But the most likely explanation for yesterday's decision is that a majority on the TUC Health Services Committee does not believe Mr Norman Fowler, the Social Services Secretary, is

ready to budget yet. As Mr Alan Fisher, general secretary of NUPE, warned at the beginning of the dispute, "it may be that our spring offensive will have to turn into a summer of discontent."

Mr Fowler's claim that support for Wednesday's strike appeared "patchy" infuriated the unions.

But his subsequent comment that most of the strikers were ancillary staff and that the great majority of nurses continued normal working may be a clearer clue to the Government's thinking.

The 10 unions involved in the dispute cover every group of NHS workers from highly-skilled laboratory technicians through paramedical staff, ambulance and nurses to clerical workers, cleaners, cooks and porters.

For the unions' happy coincidence in this year's pay round is that for the first time all groups shared the same April 1 settlement date. This allowed an unprecedented unity of action through the TUC committee.

However, central to maintaining a united stand has been

the co-operation or at the very least moral support, of the 420,000 NHS nurses.

The Government clearly hopes that this unity will be shattered if a ballot being conducted by the 196,000-strong non-TUC Royal College of Nursing, the largest nurses' union, comes out to accept the offer.

Privately some senior RCN officials believe this will be the outcome. And if, as is also 12,000-strong Health Visitors' Association agrees, a majority of the staff side of the National Whitley Council could force a settlement.

Mr Fowler clearly hopes this will happen. But if it does not, he has still not ruled out the option of going to arbitration. An alternative strategy for the management would be to offer small increases to staff in return for firm undertakings to raise productivity and cut restrictive practices.

But that, with the obvious implications of job losses, is unlikely to be acceptable to the unions.

The unions must, if possible, hang on to the nurses' support. Memories of the "winter of discontent" are still fresh and it

is well remembered how visions of the selfless "angels" tirelessly working to cover for striking cooks and cleaners badly damaged the public's backing for the strike.

Nevertheless, in 1979 the ancillary workers won, and this time they are strengthened in their resolve by parallel strikes of more powerful groups such as ambulance men and the 20,000 unionised laboratory staff.

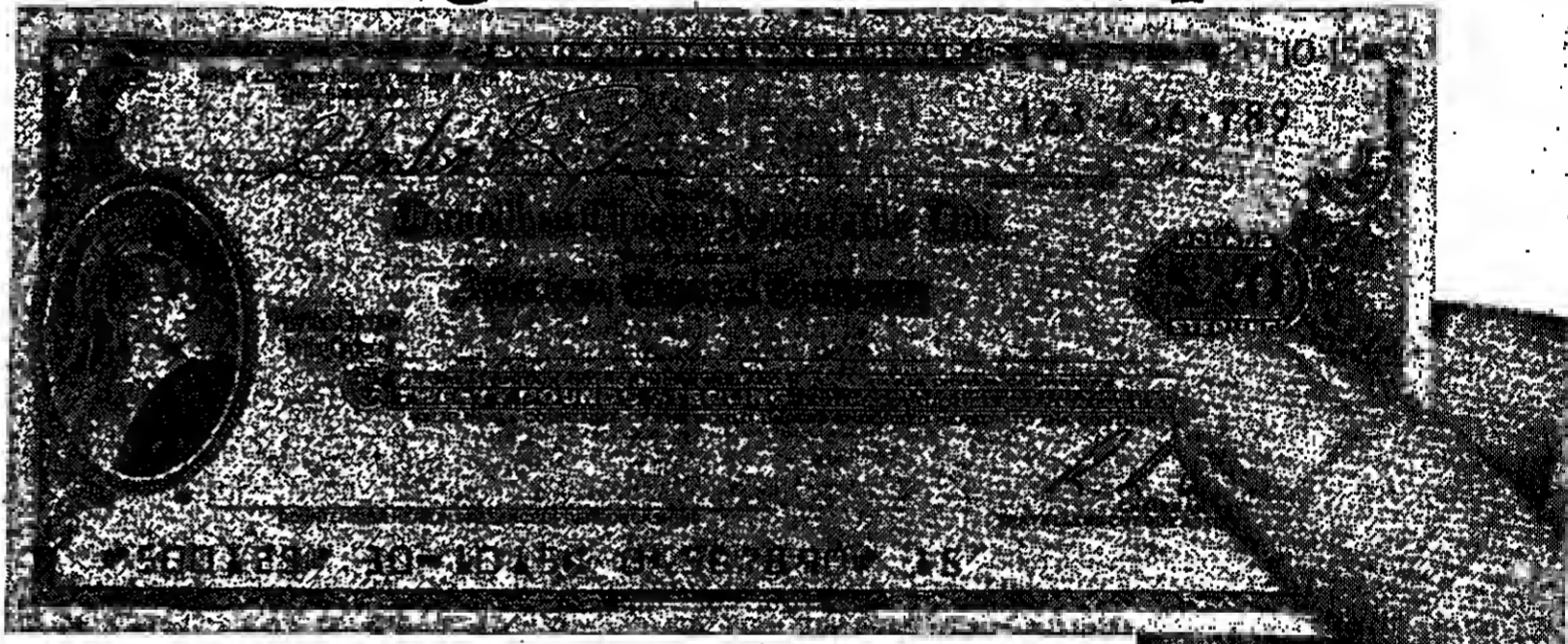
There are indications that in some areas at least nurses belonging to TUC-affiliated unions would be prepared to continue strikes even against the Whitley Council's decision. The militants will also be heartened by the announcement yesterday that the Professional and Technical Staffs Council unanimously agreed to back industrial action.

Less encouraging for the militants was the failure of the committee to refer the whole battle to the TUC General Council.

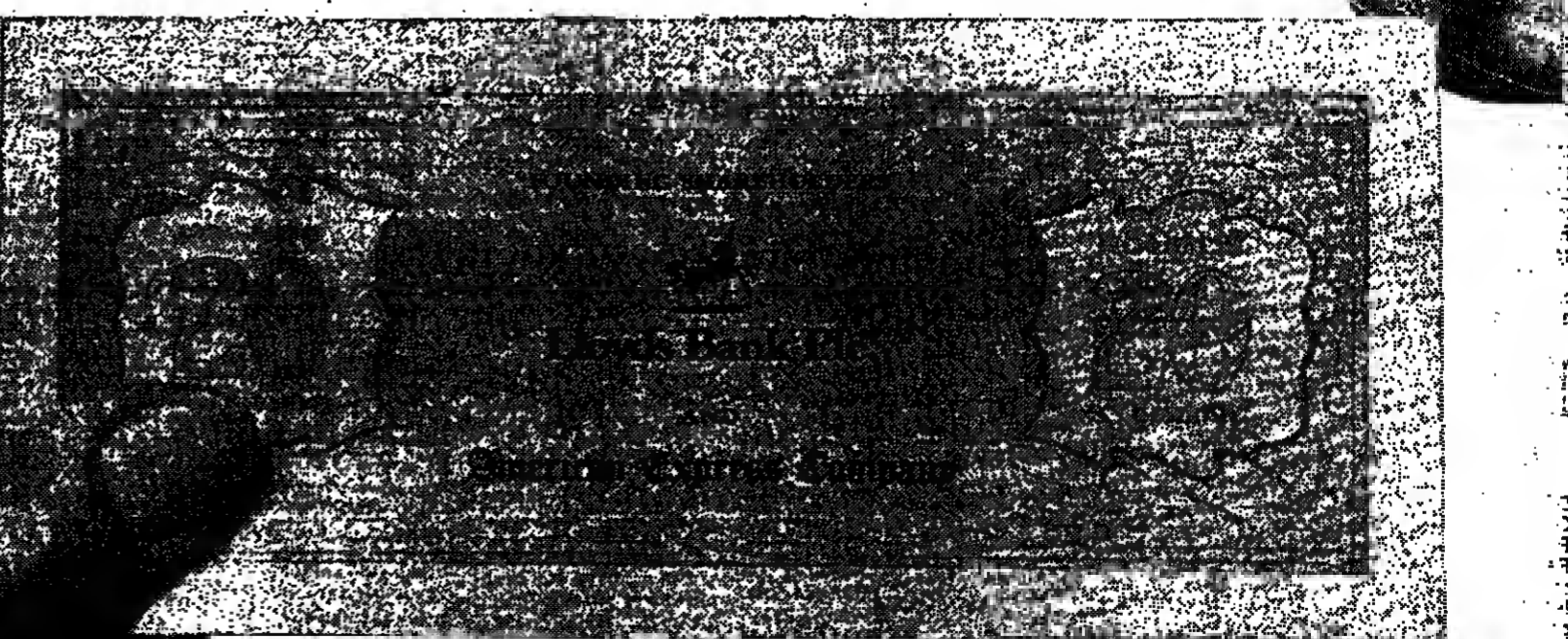
Though it was agreed to seek the council's support in calling for the moratorium of affiliated unions, this falls a long way short of a formal TUC call for sympathetic industrial action.

As it stands the conduct of the dispute lies firmly in the hands of the unions involved.

This is the new Sterling Travellers Cheque



This is who's behind it



Lloyds Bank and American Express have joined forces to issue a new sterling travellers cheque. This new cheque will now replace existing Lloyds Bank and American Express sterling cheques. With such distinguished parentage, the new cheque starts life with a lot of advantages.

It goes without saying that its financial security is assured. It will be serviced around the world by American Express, which means that, in the event of loss or theft, it's backed by the world's most experienced refund system. It can be offered as payment in countless shops, restaurants

and hotels around the world. And it will be sold at branches of Lloyds Bank throughout the world, Travel Service Offices of American Express Company, its subsidiaries or Representatives, or at leading travel agents. There's no safer way to carry sterling abroad.

THE HERITABLE AND GENERAL TRUST. FINANCE FOR BUSINESS. The Heritable and General Trust Limited, 52 Berkeley Square, London W1X 6EH. Tel: 01-493 6621. Banking Services for over 100 years.

Peace hopes at Southampton. SOUTHAMPTON DOCKS are set to return to normal working this week-end following the settlement of a dispute between foremen and dockers which has virtually closed the port over the last two weeks.

HANGON WITH IT SPELLS SUCCESS. Lloyds Bank and American Express have joined forces to issue a new sterling travellers cheque.

RESTORING A SCOTTISH BANK, WE HAD TO WATCH THE OVERHEADS.

The Banking Hall of the new London Chief Office of the Bank of Scotland has a truly magnificent listed ceiling.

In glazed ceramic, and in 'art nouveau' style, it's the work of the famous Victorian designers and manufacturers, Burmantoft.

It was something Wates had to watch very carefully indeed when we started to restore and develop the site, behind a listed Victorian facade.

There was, indeed, plenty in the contract that might have put the ceiling in jeopardy.

Removing the existing roof, to extend the building by another floor, then building a new mansard in keeping with the Palladian style of architecture.

Replacing a lightwell to the rear of the building in order to 'stitch in' a new steel frame for seven new floors.

Re-building the bank's basement in order to install two new two-storey vaults.

In addition, a 7-ton generator and other heavy plant had to be hoisted to the roof. All in the face of incredible access and egress problems.

Our only means of getting to the rear of the site was through a narrow courtyard, Threadneedle Court, alongside the Bank. (Threadneedle Street has a double

yellow line, which meant no off-loading during normal hours.)

Thousands of cubic metres of material excavated from the basement had to be removed at night-time through this busy courtyard.

In the event, we protected the ceilings by covering them with nylon netting stretched between steel cables.

And protected them from rain above by waterproofing the third floor with a special membrane (allowing us to demolish the old slate roof).

Down in the Banking Hall, we carefully restored marble columns, gold leaf decoration, and the magnificent mahogany vestibule.

In the floors above, we installed modern air-conditioned offices for the Bank's Directors and staff, with three lifts, a modern staff dining area and a prestigious Directors' Boardroom.

And all the electronic wizardry that a modern banking headquarters needs.

We handed over Phase One of the building last November, on the agreed date.

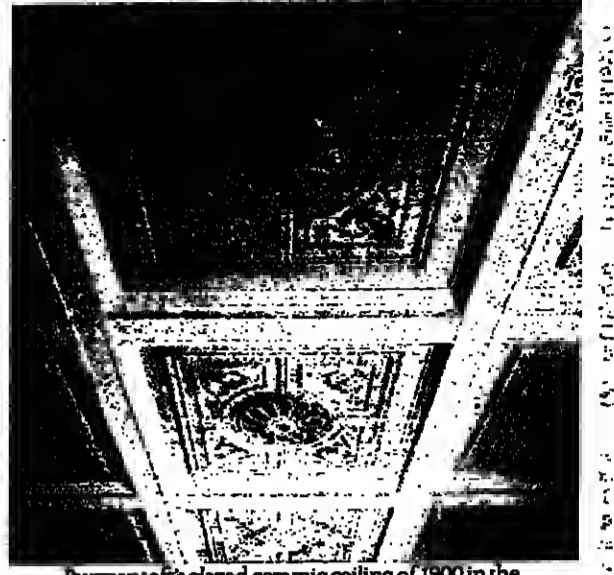
In that time, we had more than doubled the original floor area of the Bank.

And provided the Bank with a perfect blend of 19th century elegance, and 20th century office efficiency.

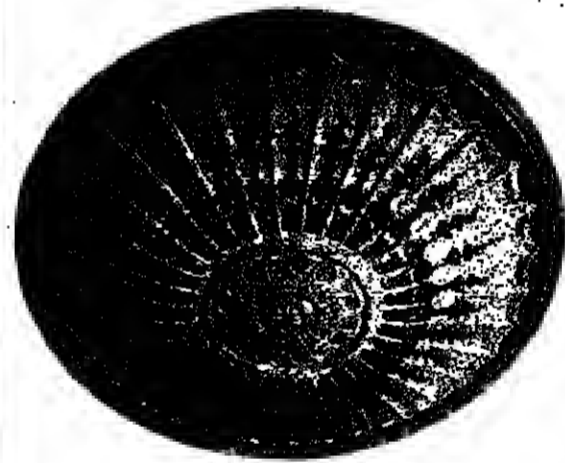
The Chief Architect of the Bank said he was impressed not only that 'Wates cared' but that 'Wates people cared' from boardroom level to the site operatives.

It's an attitude to construction we're very proud to adopt, and be known for.

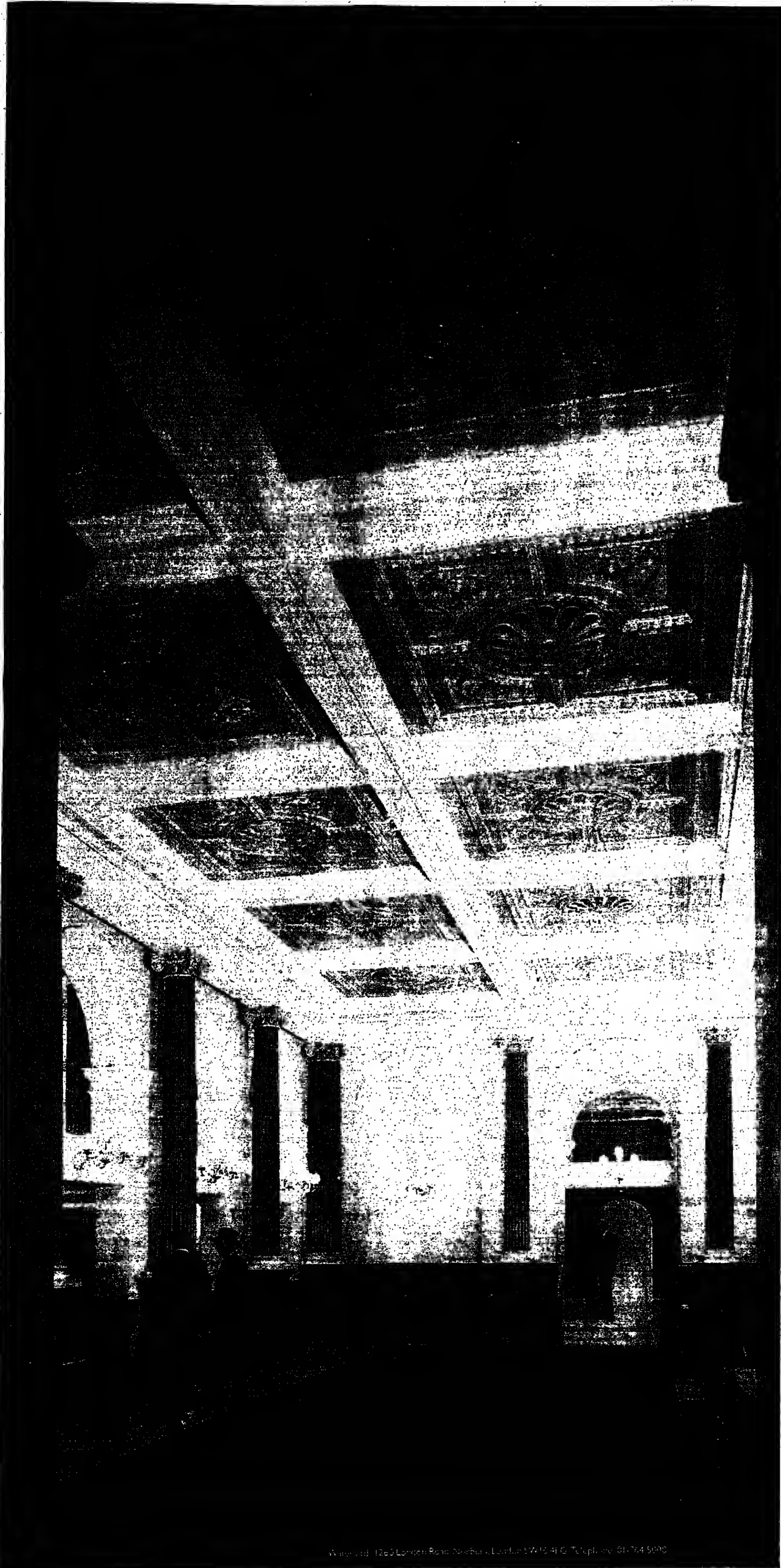
Whether it be a Bank, or a superstore, or a local authority that signs the cheque. **wates build with care**



Burmantoft's glazed ceramic ceiling of 1900 in the main Banking Hall.



The beautiful circular ceiling in the West Pavilion Reception Office.



THE PROPERTY MARKET BY MICHAEL CASSELL IN HONG KONG

Hong Kong's 'pressure cooker' loses steam

THE irrepressible confidence of Hong Kong's property market, packed as tightly as the people and every bit as colourful, faces a major test of nerve. For after an unprecedented real estate development boom which brought with it leap-frogging rents, rocketing capital values and extraordinary company profits, the market—a pressure cooker hissing in the tropical heat—appears to have lost a little too much steam.

Those property companies blessed with hindsight say the crunch was inevitable, while those endowed with a great deal more optimism than ready cash talk of a hiccup rather than a holocaust. Uncharitable property men elsewhere will no doubt be drawing some satisfaction from the discomfort of a market which has, in their eyes, never been considered quite pukka.

Whether the Hong Kong property sector remains perhaps the most exhilarating and potentially lucrative in the world is a matter of opinion, but there is no disputing the fact that, for the time being at least, it has gone over the top.

High interest rates, a downturn in the local and international economies and a mounting over-supply of space generated by a speculative development free-for-all have conspired to produce a market glut as well as a few headaches for some highly geared property traders with little or no investment income on which to fall back.

To add to the difficulties, a government which for years was berated for stimulating artificially high land prices by restricting sales has been stepping up its release programme in order to help finance a budget which

could be struggling to meet its targeted surplus. Rents, until recently rising in percentages which could be mistaken for the midday humidity reading, have come to a near or actual standstill for most types of property in most areas. In the case of residential property, an important constituent in the Hong Kong real estate scene, rents have fallen by 20-30 per cent from levels which were ludicrously ambitious as the developers were outrageously greedy.

Trading

In central district on Hong Kong island, the heart of the local property market, speculative trading in new retail space (floor by floor or even unit by unit) has left some shop complexes neglected and blighted by empty space. Writs rather than opening hours adorn windows and doors.

On the Kowloon peninsula and in the New Territories, some industrial space and development land is available at one-third the price being asked at the market's peak.

All eyes now appear to be focused on the property traders who appear most vulnerable and the property sector appears to be treading carefully in the hope that no one trips up and deals a costly blow to the confidence which, in Hong Kong, permeates everyone and everything.

News this week that a consortium embracing several of the best known property names in Hong Kong, which owns two central district office towers, is being dismasted because of failure to agree to cut asking rents, will not help sentiment. There is, as to every property

market, a momentum which cannot be halted overnight and in Hong Kong the problem is invariably compounded by a government requirement that land sold for development must be utilised within a defined period if penalties are to be avoided.

Despite the historically high volume of empty space now affecting all sectors of the market, the supply of new accommodation is still set to rise dramatically. Retail floorspace arriving on the market this year—estimated at over 8m sq ft—will represent three times the highest annual take-up rate recorded since 1977. In the office sector, where 3m sq ft of space is empty despite a higher take-up rate, the total stock is expected to rise by nearly 60 per cent to around 45m sq ft by 1982 and 1984.

Add to all that the question which everyone asks and which no-one can answer—the future of the colony's leased territories after 1997—and confidence might appear singularly inappropriate. Not a bit of it, though with 15 years to go (the self-same period over which most bank finance is arranged) the lease issue is becoming more pressing.

Shake-out

The present shake-out is leaving the major property developers outwardly unmoved, though most are prepared to admit that the Hong Kong market could be ticking over rather than taking off for anything up to three years or more. At least two major groups—Hang Lung Development and Carrion—are openly talking in terms of a five-year "waiting period".

But at the same time, there is evidence that best quality space which—most importantly of all—is well managed and maintained, is not suffering anything like as badly. Hong Kong Land's vacancy rate is a little over 1 per cent (a little churlish to point out that not too long ago it stood at zero?) and those companies with a good portfolio and solid investment earnings growth seem unafraid of the short-term. There is little doubt that if any prime, central property does come available it would achieve a record price.

At the same time, however, the strong are keeping a close eye on the weak, in the knowledge that one company's enforced property sale could represent a long-term bargain for someone else.

But overriding all the negative factors, there is still a dynamism which might sound trite until it is seen in action. "Underlying strength" is a catchphrase well loved by UK agents when the going gets tough but in Hong Kong, where this year a projected 8 per cent growth in GDP is considered unsatisfactory, there is no cause to treat such claims with cynicism or to imagine that the real estate sector will not overcome its problems.

There is a strength and vitality in Hong Kong which has enabled its 5m people to create one of the world's most successful manufacturing and commercial centres. There are no signs that these qualities are any more likely to disappear than the string of Manhattan-style office towers which stare north to Kowloon across one of the world's most spectacular harbours.

GEORGE TAN likes cash. As chairman of Carrion Investments, he spends it and then, in true oriental style, makes some more.

Carrion, the major quoted Hong Kong vehicle of cash-rich private parent company Carrion Holdings, is now a force to be reckoned with in the local property market and is at least partially emerging from behind a veil of secrecy which has made it and its associates as intriguing as they are successful.

Mr Tan comes from one of the four families who ultimately control the Carrion doing business which, at least to the visiting property correspondent, appear a trifle odd. The efficacy of such apparent eccentricities is not, however, in question.

Mr Tan, like many of his Chinese business colleagues, pays close attention to "Fung

Shui," the spiritual influences on his fortunes, while running a group of companies which extends to a 67-strong shipping fleet and a controlling interest in Chinese Underwriters, the insurance group.

As a result, Mr Tan is not averse to insisting upon the inclusion of the lucky number eight being contained in sale or purchase prices and he may well convene a contract signing session in the middle of the night if that is what his "Fung Shui" man considers appropriate.

The Carrion chairman is a highly colourful character who has equipped the penthouse suite in his waterside headquarters with an array of Louis XVI furniture, English masterpieces and Chinese carpets which would do credit to any James Bond film. Mr Tan—he works an 18-hour day "because it is a 24-hour

world"—has been known to christen those carpets with champagne if a particular deal has taken his fancy. But Carrion is a far from fanciful operation and the pace of its development since it first came to light a little more than two years ago has been remarkable even by Hong Kong standards.

By the end of 1981, Carrion Investments had net assets of HK\$5.5bn against HK\$1.19bn a year earlier and had made the total transformation from the small property company picked up via the Carrion group in 1980. Pre-tax profits last year rose from HK\$72m to HK\$762m.

The company's purchase of Gammon House from Hong Kong Land for HK\$98m and subsequent resale eight months later for HK\$1.65bn is still talked of in admiring tones in a market where price records often become out-

dated as quickly as the latest computer game.

The company's property interests now extend to nearly 3m sq ft of Hong Kong land (paid for in cash) at the planning stage, 567,000 sq ft under development and another 722,000 sq ft which is, or will, shortly be income producing.

There are 36 development projects underway around the world, not least a scheme in Oakland, California which will provide over 2.5m sq ft of office space and give the west coast of the U.S. its tallest building to date.

According to George Tan, Carrion has now divested itself of the secondary properties which come with several acquisitions and now intends to use the weak market—and no doubt some more of its cash—to make further prime purchases as a preliminary to the next round of Carrion and joint venture developments.

The signs look good for Mr Tan

Not a day to lose on Hong Kong Land's Exchange

With interest charges already running at HK\$1.2m a day, small wonder that Hong Kong Land was on site within 48 hours of its world record-breaking purchase of "inland lot 8098"—otherwise known as the Connaught II site.

It was in February that Land paid HK\$4.75bn for the last remaining prime chunk of land in central business district. The site adjoins the notorious Connaught I tower and will provide in three towers another 1.25m sq ft of lettable office space, 49,000 sq ft of which will house the three unified Hong Kong stock exchanges.

The price—at HK\$33,000 a sq ft—was barely half what the Government had originally expected but there was little surprise about the identity of the winning bidder, which has net assets of over HK\$20bn.

In the words of Trevor Bedford, managing director of Land, "We were the only people who could really afford it and we were excited to get a site which has so much strategic importance for us."

With the acquisition, Land has ownership of a slab of central district which takes in both the Connaught complex—to be re-named Exchange Square—and the massive Landmark Centre, now being developed.

Real reviews in Gloucester Tower, the first phase of the Landmark complex completed in 1980, are producing rentals of around HK\$31 a sq ft per month against an original HK\$10. Next door, where one floor is being added every five days to the 600,000-sq-ft Edinburgh Tower, already 80 per cent is let at around HK\$30 a sq ft.

Land's view of what the lettings market has in store can be guessed from its private assumption: that Exchange Square rents in 1985 are likely to be around the HK\$38-\$40 a sq ft mark.

According to Mr Bedford: "We already have over 2.5m sq ft of prime property in Central and our commitment in this area will continue to provide the bulk of our earnings. He accepts the market is going to be tougher for a while but emphasizes that, in the case of Hong Kong Land, which has no less than 50 per cent of its space let at well below current rentals, the next two years look good. As if Exchange Square was not enough, the company is apparently also paying close attention to a possible HK\$400m scheme along the harbour front at Wanchai, which is likely to involve an international exhibition centre."

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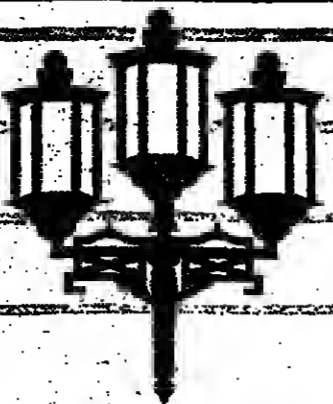


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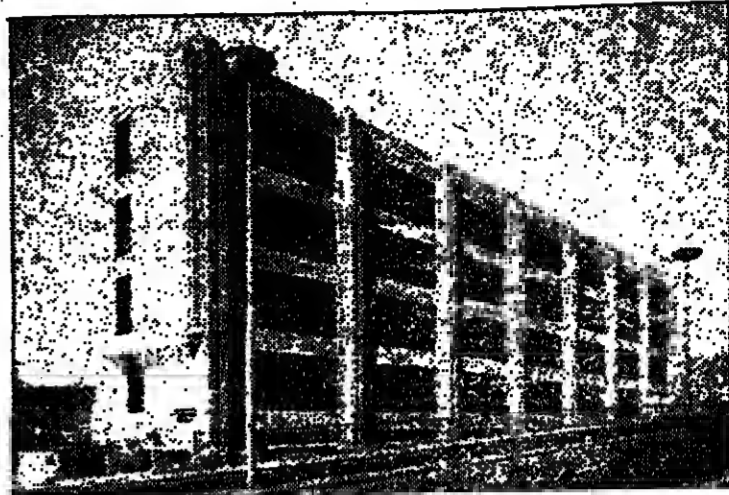
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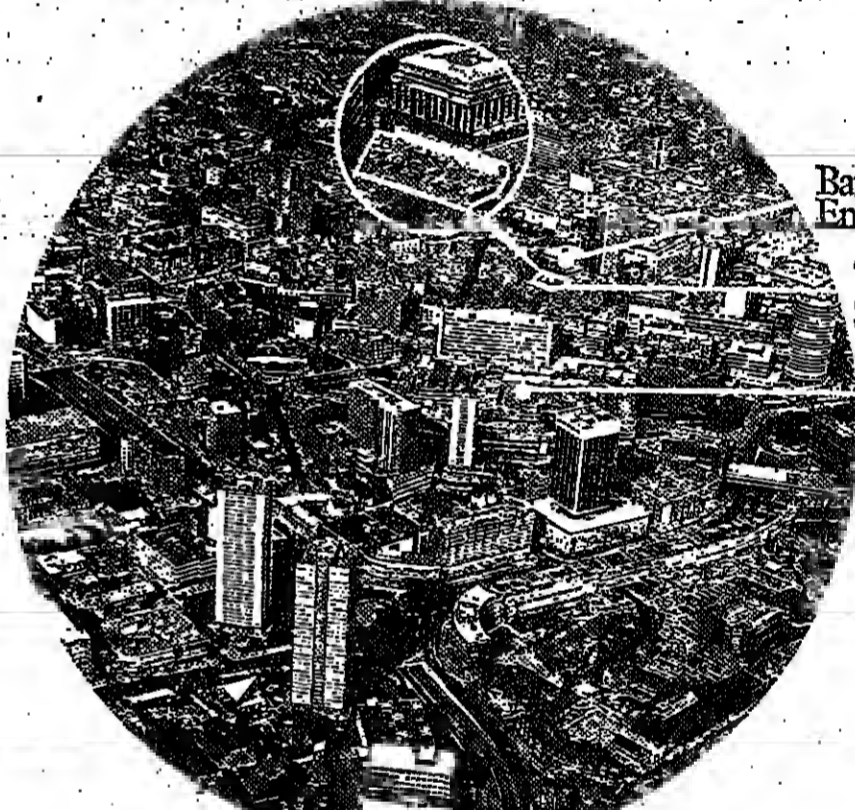


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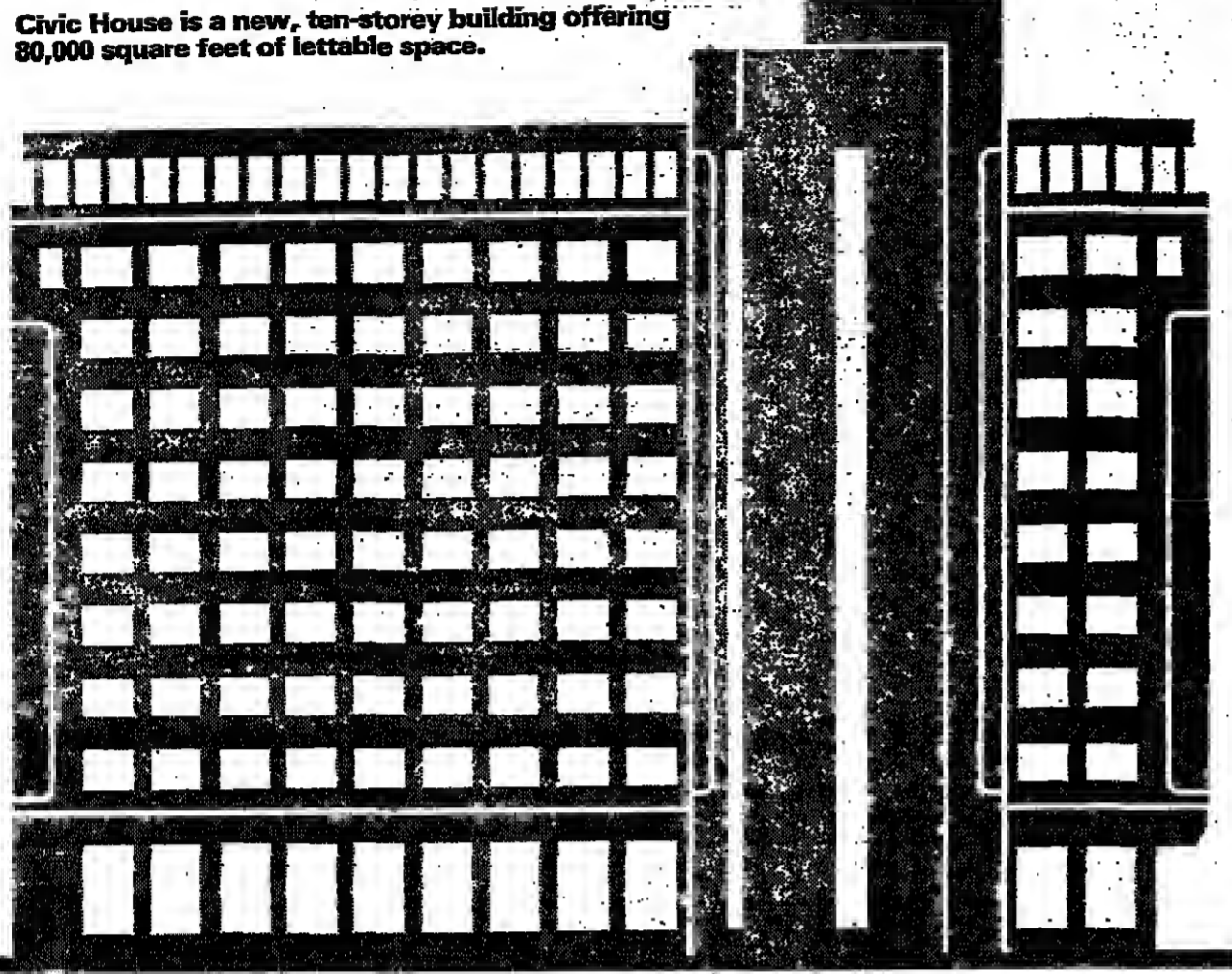
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BBC 1

6.40-7.55 am Open University (Ultra High Frequency only). 9.00-12.10 pm For Schools, Colleges. 12.30 News After Noon. 1.00 Pebble Mill at One. 1.45 Heads and Tails. 2.00 For Schools, Colleges. 2.30-2.55 Weekend Wardrobe. 3.20 Popti Y Gwm. 3.53 Regional News (except London). 3.55 Play School. 4.20 Secret Squirrel. 4.25 Make 'em Laugh. 4.45 Newsround Extra. 4.55 Blue Peter Special Assignment.

5.40 News. 6.00 Regional News Magazines. 6.25 Nationwide. 7.00 Are You Being Served? Starring John Inman and Mollie Sugden. 7.30 Odd One Out: quiz game with Paul Daniels. 8.50 The Enigma Files: Detective series starring Tom Adams. 8.50 Points of View with Barry Took. 9.00 News. 9.25 McCain's Law, starring James Arness. 10.15 (London and South East only) — Maestro: Tommy Farr, boxer, in conversation with Frank Keating. 10.45 News Headlines. 10.50-12.35 am The Late Film: "Brewster McClood," starring Bud Cort and Sally Kellerman.

TELEVISION

Chris Dunkley: Tonight's Choice

The BBC makes it another rich night for cinema lovers, starting with the latest in its "Stars of the Silent Screen" series on BBC2 which for me, and surely many others, could usefully be shifted from its 5.40 start time to mid-evening. Tonight's offering is a newly-united version of the 1922 Rudolph Valentino vehicle *Blood and Sand* in which the matinee idol portrays the nobody who becomes Spain's greatest matador. It's not Valentino's greatest film but it did consolidate his image, albeit that image was ambiguous.

At 10.00 "Arena" presents the second half of The Orson Welles Story on BBC2 showing the man's European wanderings since he abandoned Hollywood. "I've wasted the greater part of my life looking for money, trying to make my work from this terribly expensive pastiche, but it's a mistake I can't regret ... I'm in love with making movies," says Welles.

The "Late Film" on BBC-1 is Brewster McClood which tells a story that is weird even by Robert Altman's standards: the ailed McClood bids in the vast Houston Astrodom preparing his tuxedos to fly on home-made wings. It is, perhaps, worth mentioning that before Altman ever broke into industrial documentaries or blazed the trail through TV series to Hollywood features, which so many subsequently followed, he served the war as a pilot in the Pacific.

LONDON

9.35 am Schools Programmes. 11.52 The Bubbles. 12.00 Soog Book. 12.10 pm Once Upon A Time. 12.30 Our Incredible World. 1.00 News plus FT Index. 1.20 Thames News with Joe Corbin. 1.30 About Britain. 2.00 After Noon Plus, presented by Elaine Grand. 2.45 Friday Matinee: "The Moonlight Monsters." 4.15 Bugs Bunny. 4.20 Dance Crazy. 4.45 Freetime with Mick Robertson. 5.15 Film Fun with Derek Griffiths. 5.45 News. 6.00 The 6 O'Clock Show. 7.00 Family Fortunes, presented by Bob Monkhouse. 7.30 The Fall Guy, starring Lee Majors. 8.30 The Boulder, starring Peter Bowler and George Cole. 9.00 The Pope: Song in a Strange Land. 10.00 News. 10.45 Cup Final Forum. 11.15 The London Programme: "A Year Of Ken Livingstone." 11.50 Dolly, starring Dolly Stoyle. 12.30 am Rawhide, starring Clint Eastwood. 1.20 Close: Sit Up and Listen † Indicates programme to black and white.

BBC 2

6.40-7.55 am Open University. 11.00-11.25 Play School. 6.10 pm The Civilisation of the Crowd. 5.35 Weekend Outlook. 5.40 Stars of the Silent Screen: "Blood and Sand." 7.00 Something Else.

SCOTTISH

6.40-7.55 am Open University. 11.00-11.25 Play School. 6.10 pm The Civilisation of the Crowd. 5.35 Weekend Outlook. 5.40 Stars of the Silent Screen: "Blood and Sand." 7.00 Something Else.

FT COMMERCIAL LAW REPORTS

Priority of pledge over registered charge

BEVERLEY ACCEPTANCES LTD v OAKLEY AND OTHERS

Court of Appeal (Lord Denning, Master of the Rolls, Lord Justice Donaldson and Lord Justice Slade); May 19 1982

A MERCANTILE agent's disposition of goods with the consent of his owner must take place simultaneously with his possession of the goods in order to be valid; and a registered charge executed by the owner of goods not in his possession, acting in his capacity as mercantile agent, will not have priority over an earlier pledge of the same goods made by him in his capacity as owner.

The Court of Appeal so held (Lord Denning dissenting), when dismissing an appeal by the plaintiffs, Beverley Acceptances Ltd., a finance house, from Judge Stubb's decision that a registered charge on two Rolls-Royce cars made to Beverley by Oakley, did not have priority over an earlier pledge of the same cars by Mr Oakley to another defendant, Mr W. Green.

Section 2(1) of the Factors Act 1889 provides: "Where a mercantile agent is, with the consent of the owner, in possession of goods, any disposition of title to goods, made by him ... shall ... be ... valid ..."

Section 1(2) provides: "A person shall be deemed to be in possession ... where the goods or documents are in his actual custody ..."

Section 1(4) provides: "... document of title ... document used in the ordinary course of business as proof of the possession or control of goods ..."

LORD DENNING, Master of the Rolls, said in a dissenting judgment, that Mr Oakley retained old cars and resold them. He was a "mercantile agent" within the meaning of the Factors Act 1889.

On January 31 1980, Mr Green, the licensee of a public house, lent Mr Oakley £25,000 to enable him to buy two Rolls-Royce cars. Mr Oakley said he would repay him £38,000 within four months. He signed a document giving Mr Green a charge on the cars as security for the £38,000. He agreed to park them in the public house compound, and that Mr Green should hold the log books and be at liberty to sell the cars.

He bought a Phantom V for £12,500 and a Phantom II for £15,000. He had them valued at £20,000 and £35,000.

By the middle of February 1980 both cars were in the compound of the house and of the cars. He also had the receipts for the purchase of the cars, and one log book; the other had been sent to Swansea for registration. He locked the compound and kept the keys.

Mr Oakley was also negotiating with Beverley for a loan on the security of motor vehicles. On February 21 1980 he took Beverley's representatives to the public house and obtained the keys and documents from Mr Green. He unlocked the compound and the representatives inspected the cars carefully. Mr Oakley produced the receipts and registration document as proof of ownership.

Having seen the cars and being satisfied with the documentation, Beverley prepared two security bills of sale. On March 10 1980, Mr Oakley executed the bills, and was handed £25,000. The next day the bills were registered under the Bills of Sale Act.

On June 30 1980 Beverley issued a writ claiming an injunction to prevent Mr Green and others from disposing of the cars. Judge Stubb found for Mr Green. It was his right, Mr Green could dispose of the cars and take £38,000. He would hold any balance as trustee for Beverley.

For the purpose of section 2(1) of the Factors Act [relied on by Beverley in the present

GRANADA

11.52 am Wake Up. 1.20 pm Granada Reports. 1.30 Exchange Flare. 2.00 About Britain. 2.30 Friday Matinee: "Odey," starring Edward Judd and James Robertson. 3.00 Kick Off. 5.20 Granada Reports. 11.15 am News on Friday. 11.45 The Late Film: "Creatures that Forgot."

TYNE TEES

8.25 am The Good Word. 8.30 North East News. 12.30 pm Fire of Harmony. 1.20 North East News and Lookaround. 12.45 Friday Matinee: "Trouble in Stone," starring Norman Wisdom and Martine. 2.00 North East News. 6.02 Sports Time. 8.30 Northern Life. 10.45 North East News. 10.47 Friday Live. 12.15 am Cup Final Forum. 12.45 Post's Corner.

RACING

BY DOMINIC WIGAN

IT IS not often that South Coast race-goers are treated to the presence of Lester Piggott at Brighton.

Piggott, whose likely mount, Tants, was all the rage with Kinghorns and the Tote yesterday after working impressively at Newmarket, is seldom seen on a John Winter runner. Anyone contemplating a bet on the Brighton Festival handicap will do well to note that he has been secured by the Newmarket trainer for Lavender Gray.

A fair fourth behind Sea Hawk in Warwick's light Brokerdale stakes last month after being the comfortable winner of a 16-runner Warwick handicap, Lavender Gray is clearly not without prospects in the view of Piggott.

She may go close; but I shall be more than surprised if she proves up to dealing with Willie Carson's mount. Suggestive. This Sir Robin McAlpine filly swept through a narrow gap in Epson's April handicap on Blue Riband trial day to touch off imagination with a devastating turn of finishing speed.

While Piggott is attempting to add to an already massive haul accumulated over some 30 years at Brighton, where he enjoyed those memorable duels with Scobie Brasley and Ron Hutchinson in the 1960s, Steve Cauteben will be doing all he can at Thirsk to pull back a winner or two in the Jockeys Championship.

Cauteben, still a handful behind Piggott, has an obvious chance on the Nick Gaselee filly Bluehutton on the Yorkshire track before he goes north to Glasgow to ride for Peter Makin at Hamilton.

BRIGHTON

2.30—Whitworth**
3.00—Suggestive***
3.30—Nashwane*
4.30—Tiger Trap
THIRSK

3.15—Dalbury
3.45—Blenbinton
4.45—Candy Castle
HAMILTON

6.45—Rose Dn Soir
7.35—Tom Dowdeswell
8.35—Norfolk Realm

RADIO 1

5.00 am As Radio 2. 7.00 Mike Read. 8.00 Simon Bates. 11.30 Oava Leo Travis. 2.00 pm Steve Wright. 6.30 Newsbeat. 6.45 Roundtable. 7.00 Andy Peebles. 10.00-12.00 The Friday Rock Show (S).

RADIO 3

6.55 am Weather. 7.00 News. 7.05 Morning Concert (S). 8.00 News. 8.05 Morning Concert (continued) (S). 9.00 News. 9.05 This Week's Composer: Schubert (S). 10.00 Northern Simphony of England (S). 11.05 John Williams Guitar recital (S). 11.25 Susan Howson piano recital (S). 12.10 pm Midday Concert (S). 1.00 News. 1.05 Midday Concert, part 2 (S). 1.50 Michael Leighton Jones song recital (S). 2.45 Berlin Philharmonic Orchestra, 4.00 Choral Evensong (S). 4.55 News. 5.00 Moly for Pleasure (S). 7.00 The Romance and the Rose (S). 7.30 8th Festival 1982, concert "From the

YORKSHIRE

11.55 am The Undersea Adventures of Captain Nemo. 12.30 pm Myklimov. 1.20 Calendar News. 12.45 Friday Film Matinee. "Background," starring Valerie Hobson with Janetta Scott and Wendy Miller. 8.00 Calendar (Emley Moor and Belmont editions). 6.30 Calendar Sport. 11.15 Pro-Celebrity Snooker. 12.00 Ladies' Men.

FT

FINANCIAL TIMES CONFERENCES

Portugal - A new outlook

Lisbon, 21 and 22 June 1982

The Portuguese Prime Minister, H.E. Dr Francisco Pinto Balsemao, will open this international forum to be sponsored by the Financial Times and the Foreign Investment Institute.

The purpose of the conference will be to discuss Portugal's preparation for entry into the European Economic Community, what can be expected from membership of the Community and the financing of the changes that must be made.

Major addresses will also be given by:

H.E. Dr Joao Saigueiro
Minister of Finance and Planning

Mr Claude Villain
Director General for Agriculture, Commission of the European Communities

Professor Dr Karl-Heinz Sohn
President; Deutsche Gesellschaft für Wirtschaftliche Zusammenarbeit (Entwicklungsgesellschaft) mbH

Mr Shiro Miyamoto
Adviser, The Long-Term Credit Bank of Japan and Ministry of International Trade and Industry

H.E. Eng. Ricardo Bayão Horta
Minister for Industry, Energy and Exports

Mr F X Stankard
Executive Vice President, Head of International Department, The Chase Manhattan Bank N.A.

H.E. Dr Leonardo Mathias
Secretary of State for Foreign Affairs.

Sponsored by:
Financial Times
Foreign Investment Institute

Please send me further details on the conference "Portugal - A New Outlook."

Name _____
Company _____
Address _____
Tel: _____ Telex: _____

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Please send me a copy of your brochure

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Company _____
Position in Company _____
Type of Business _____
Address _____

Today, the Channel Island of Guernsey is busily engaged in supporting a successful light industrial sector. International companies involved in the manufacture of quality products are thriving on a sound economy and a system which provides for a retention of 80% of profits. Low rates on property, excellent industrial relations and an appealing working and living environment all contribute to business success. Guernsey is just one hour from London and perfectly positioned both geographically and constitutionally to service EEC, EFTA and world markets. If you are considering establishing a new light industry or re-locating your existing operation, let us put you in the picture. Ron Barton, Industrial Development Officer is the man to talk to on Guernsey 24411.

D|C| Department of Commerce & Industry
States Office FTA, North Esplanade, St. Peter Port, Guernsey, Channel Islands.

FINANCIAL TIMES

BRACKEN HOUSE, CANNON STREET, LONDON EC4A 3DF
Telegrams: Finantimo, London PS4. Telex: 8954871
Telephone: 01-248 8000

Friday May 21 1982

Keeping open the channels

AS BOTH Mr Michael Foot, the Leader of the Labour Party, and Dr David Owen, for the Social Democrats, acknowledged in the House of Commons yesterday, there can no longer be any reasonable doubt that the British Government has gone to very considerable lengths to secure a negotiated solution of the Falklands dispute.

The text of the proposed interim agreement between Britain and Argentina, which has now been published, makes the same point to anyone who wants to read it. Concessions have been offered by Britain which must have seemed unthinkable to some sections of the Conservative Party—and perhaps of the Cabinet—at the outset of the crisis. Take, for instance, the readiness to seek United Nations trusteeship of the islands or the proposal that negotiations on their future status should be concluded by the end of this year.

Interested
It has been the same pattern for much of the past few weeks. Time and again, the Government has initially rejected the idea of another diplomatic initiative only to try it in the end. President Belaunde Terry of Peru was not at first encouraged to act as mediator, but his proposed peace plan was then accepted in London. Mrs Thatcher did not exactly rush to call on the aid of Sr Perez de Cuellar, the UN Secretary General, yet has found his efforts of great value—not least in the matter of maintaining international support.

Inducement
It is also for that reason that we think that Mrs Thatcher is wrong to say that previous British offers of concessions—whether under the American, the Peruvian or the Secretary General's efforts at mediation—should no longer remain on the table. Britain has moved a long way in the last few weeks. It would be a grave mistake to withdraw any inducement to Argentina to settle at the last moment. The strategy of limited military activity while keeping open all diplomatic channels should survive.

A muffled report on oil depletion

MANY YEARS ago Mr Charles Wilson caused widespread offence with his well-known diatribe: "What's good for General Motors is good for America." More recently Sir Michael Edwards, in charge of a rather less successful motor company, was provoked into saying of the level of sterling: "If this is the result of North Sea oil, they'd do better to leave it under the sea."

Cartel
The question of strategic security, which is surely one of the fundamental ones, is never faced at all. The West is dependent (happily decreasingly dependent) on ultimately unreliable supplies from the Middle East, which is also the base for a cartel which is at present overriding market forces. This leads to a "market logic" which dictates that when demand is slack, we conserve reserves in the Middle East, but deplete our own. This is strategic nonsense, but the alternative would be costly.

Pressure
The question is where that leaves the British Government. The Prime Minister has said repeatedly that nothing in the negotiating process so far has impeded the steady build-up of British force in the South Atlantic or prevented military operations in any way. It has been a strategy of using military and economic pressure in order to reinforce the attempts to find a diplomatic solution.

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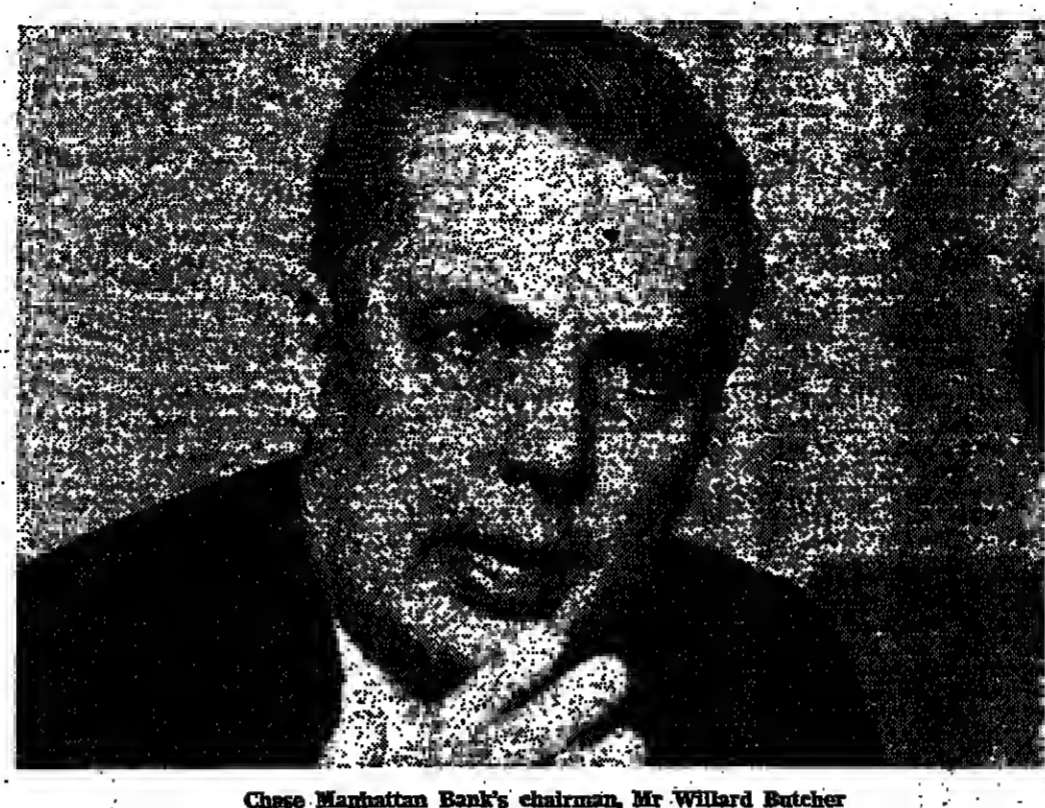
Discussion
The macro-economic question of de-industrialisation through oil production is discussed in the strategic one; but then it, too, is dodged. The committee found that economists differed, and so could form no view. On this criterion, it is not possible to hold any view of any economic question.

Verdict
The one firm conclusion, on taxation, is hopelessly vague, for it is not clear whether the Committee want to reduce the burden of taxation, or simply to redistribute it. The criticisms, so far as they have any weight, apply to the pre-Budget regime, not the present one, and are based on evidence from one side only. This attempt to be decisive cannot alter the verdict: the information in this report is interesting, but the conclusions are not.

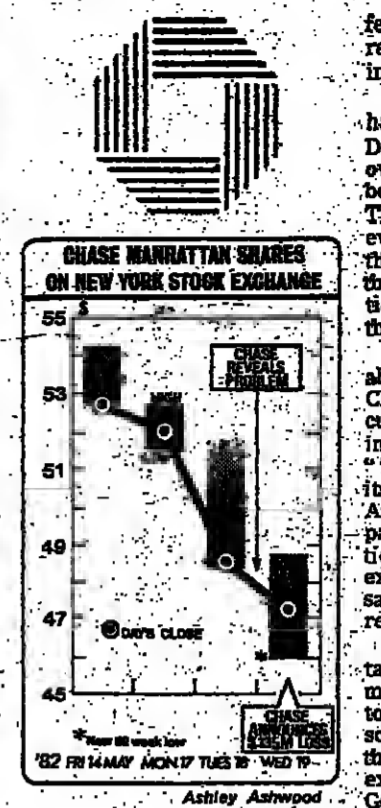
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THE DRYSDALE DEFAULT
Wall Street counts the cost

By David Lascelles in New York



Chase Manhattan Bank's chairman, Mr Willard Butcher



Astley Ashwood

FLOCKS OF bankers, accountants, Federal Reserve officials and bond dealers have been struggling for four days now to sort out the horrendously tangled finances of Drysdale Government Securities, the tiny Treasury bond dealer which defaulted on nearly \$200m in interest payments on Monday and sent shock waves through Wall Street.

Pressure
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They could be at it for a long time. Drysdale had assumed enormous positions in the market worth billions of dollars which will take months to unwind. But, regardless of what the investigators eventually uncover, the identities of the biggest casualties in the whole sorry affair are already known. They are the three New York banks which, for reasons which they are reluctant to discuss, helped Drysdale build up those positions: Chase Manhattan, Manufacturers Hanover and U.S. Trust.

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manages to salvage from the affair, it has suffered both a major financial setback, and a bad dent to the reputation it was trying to polish up since it got new top management last year. The \$135m it stands to lose after tax (fiscal losses could be either side of that figure) is roughly what it expected to earn in the second quarter of this year, and equals 5 per cent of its equity. It seems bizarre that a little-known bond dealer has dealt the bank a heavier blow than a Polish default could ever have done. Chase's stock slumped 10 per cent in value on the New York stock exchange as the bad news poured out.

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HOW TO PLAY THE TREASURY BOND MARKET

ALTHOUGH no one yet knows for sure what Drysdale was doing, it appears to have been setting up complex trades using enormous amounts of borrowed securities in order to "play" the ups and downs of bond prices caused by the sharp fluctuations in U.S. interest rates. It used recognised trading practices, but applied them with particular boldness and inventiveness. These include: **Going "short"**: Traders who believe U.S. interest rates will rise and depress bond prices can borrow bonds for a fee, sell them and try to buy them back at a cheaper price in time to return them to their owner.

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Men & Matters

Commanding ways

For those who have read the Falklands coverage and still do not feel completely informed, the following may shed light.

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For those who have read the Falklands coverage and still do not feel completely informed, the following may shed light. In a back copy of the Journal of Strategic Studies dated June 1981 there is an article on Strategy by Matrix by one J. F. Woodward. The notes on contributors describe him as a serving officer in the Royal Navy whose private interest in strategy developed while on the staff of the Royal College of Defence Studies. These days he is better known as Rear Admiral Sandy Woodward, commander of the task force off the Falklands.

Mayfair bound

Mayfair bound
Kenneth Bound, editor of one of Britain's more prominent girls' magazines, Mayfair, has found a soft spot in the heart of publisher Robert Maxwell. After spending 15 years building up the circulation of his glossy road (although some seem to buy it only to look) Bound has been able to announce that he has bought it for £1m plus. He has thus scooped stories that Mayfair had been tucked under the expanding belt of Maxwell's now profitable British Printing and Communications Corporation.

Sands storm

Sands storm
The Argentines are basing their claim on the Falklands on their short-lived occupation of the islands 149 years ago. A territorial dispute which is being fuelled up between England and Wales goes back much further than that.

He could

He could
Could he or couldn't he? Sir Edward Youde's reputation as a fluent speaker of Mandarin Chinese had preceded him to Hong Kong. When he arrived there yesterday as its new governor his linguistic abilities were quickly put to the test.

The exception that could prove to be your rule.

Advertisement for Famous Grouse Scotch Whisky. Includes a bottle of whisky and a glass of whisky. Text: "THE FAMOUS GROUSE FINEST SCOTCH WHISKY... Quality in an age of change." Signature: "Observer".

Sea

Companies and Markets BIDS AND DEALS

ISSUE NEWS

Allianz talks with Eagle Star await EEC decision

Allianz Versicherungs AG, the West German insurance group, is awaiting an EEC decision on whether the latter will launch an inquiry into the company's purchase of a 28 per cent stake in Eagle Star Holdings.

Anderson predicts 75% jump

REPLYING to the £94m bid by mining finance group Charter Consolidated, which Sir Moony Finiston, the chairman, decided yesterday as "un sophisticated and innocent industrially."

Lookers launches full takeover of Braid group

A SERIES of share purchases in the market over recent weeks has given Lookers, the Manchester-based motor vehicles distributor, a 21.1 per cent stake in Braid, another North country distributor.

Thomas Roberts bids for rest of Burt Boulton

Thomas Roberts (Westminster) is bidding 40p per share for the outstanding 8.56 per cent stake in the loss-making timber and road materials group, Burt Boulton Holdings.



Mr. Jonas of Jochnick, chairman of Oriflame, with a range of the company's cosmetic goods.

Radio City comes to the USM

Radio City (Sonnet of Merseyside) is to become the first commercial radio station to go public. The shares will be dealt on the Unlisted Securities Market.

European cosmetic group's £5m offer

Oriflame International, a Luxembourg-registered cosmetics company, is raising £5.2m by an offer for sale of shares, Oriflame is one of the first Continental European groups to make such an offer on the London market.

Bairstow Eves' listing planned for next week

The widely anticipated public listing of Bairstow Eves, an Essex based property agent, has been planned for next week.

Fulton's 'advance' talks with Mercantile House

THE MANAGEMENT of Fulton Packshaw, the sterling money broking arm of the former Charles Fulton group, is in advanced stage of discussion with Mercantile House Holdings.

SWIRE PACIFIC LIMITED

FINAL DIVIDENDS FOR THE YEAR ENDED 31st DECEMBER 1981. SCRIP DIVIDEND PROPOSAL. The 1981 Annual Report of Swire Pacific Limited, together with a letter about a Scrip Dividend Proposal, was despatched to shareholders on 6th May 1982.

HONG KONG 21st May 1982. Registrars in Hong Kong: Lowe Singham Registrars Limited, 210 Asian House, 1 Hennessy Road, Hong Kong.

S. JEROME & SONS

Table with financial data for S. Jerome & Sons for 1981 and 1980. Includes Turnover, Profit Before Tax, Profit After Tax, Earnings Per Share, and Dividends Per Share.

Copies of the Annual Report and Accounts can be obtained from The Secretary, S. Jerome & Sons (Holdings) p.l.c., Victoria Works, Shipley, Yorkshire BD17 7EF.

London and Northern Group PLC

PRELIMINARY RESULTS FOR 1981

- Substantially improved second half results
Earnings per Share 11.5p
Maintained dividend covered over 3 times
Net assets increased by £5 million to £51 million
Net borrowings reduced by £4 million to £17 million
Queens Award for Export Achievement 1982 awarded to Coopers (Metals) Limited

Table with financial data for London and Northern Group PLC for 1981 and 1980. Includes Turnover, Pre-tax Profit, Profit After Tax, and Retained Profits.

The directors have recommended a final dividend of 2.35p per ordinary share (3.36p gross) payable on 12th July to shareholders on the register on 7th June 1982 making a total for the year of 3.75p (5.36p gross).

Large advertisement for BA (British Airways) featuring the word 'BA' in large letters and text: 'FIRST CLASS SERVICE FOR ECONOMY FARE. Executive Class is available on daily flights, Heathrow to Lisbon, and twice weekly to Oporto. Better any day of the week.'

Contact your Travel Agency or ring London 01-828 0262, Birmingham 021-643 5264, Manchester 061-499 2161, Glasgow 041-332 6767, Prestel 3442602.

Companies and Markets

UK COMPANY NEWS

MINING NEWS

Brockhouse 'disappoints' - setback in engineering

THE hoped for return to profitability this year at Brockhouse... Although first-half losses, before tax, show a £1m reduction from £1.7m last time to £760,000, the board says the result is disappointing.

The increased sales figure was mainly attributable to the company's overseas activities... The company's steel division managed to make a small trading profit.

While overall there is a gradually improving trend, the board does not see any meaningful pick up in demand in the months ahead... As a result there is again no interim dividend.

Joseph Holt up 33% for year

BREWERY and wine and spirit merchant Joseph Holt saw profit before tax rise 33 per cent in 1981, from £1.35m to £1.85m.

Slight advance at London Atlantic Inv.

A modest increase in net revenue is reported by London Atlantic Investment Trust for the year to March 31, 1982.

Western Mining continues talks on Yeelirrie

BY KENNETH MARSTON, MINING EDITOR... CONFIRMATION that Australia's Western Mining is continuing its search for a partner to combine with the AS22M (£180m) Yeelirrie uranium venture.

Canadian round-up

BECAUSE OF the low prices for uranium and the reduced demand for the material on world markets, Bow Valley Industries, one of the partners in the C\$400m (£180m) Midwest Lake uranium deposit.

UK key to Coates Bros. growth

Coates Brothers, which had an impressive second half last year, is looking to the UK to keep up this progress in 1982... Based partly on the assumption that the present slow recovery will continue in the current year.

recovery in continental Europe and the US will also be halting and fragile, and is likely to be more than offset by a slowing down in other overseas markets, especially in Africa.

London Atlantic specialises in investment in smaller companies, primarily those dealt in on recognised stock exchanges. Approximately 25 per cent of the investment is overseas as compared with 20 per cent a year ago.

Isle of Man Enterprises loss lower

Holiday accommodation operator Isle of Man Enterprises incurred lower first half taxable losses to April 30, 1982.

Table with 2 columns: May 20, Price. Lists various stocks and their prices.

Table with 2 columns: Price, % change. Lists various stocks and their price changes.

Table with 2 columns: Price, % change. Lists various stocks and their price changes.

COMPANY NOTICES

UNILEVER N.V. DIVIDEND ON CERTIFICATES FOR ORDINARY CAPITAL... ISSUED BY N.Y. NEDERLANDSCH ADMINISTRATIE-EN TRUSTKANTOOR

APPOINTMENTS

TRADER Experienced trader required for London trading department of large international financial organisation.

ART GALLERIES

NEW GALLERY, 45, Old Bond St., W.1. 220 8178. MASTER PAINTINGS, 147-150, Regent St., W.1. 220 8178.

FINANCIAL TIMES

Published in London & Frankfurt... Head Office: The Financial Times Limited, Broad Street, London EC2M 2ET.

NOTICE OF MEETING OF MUTUAL AND GENERAL ASSURANCE SOCIETY

NOTICE IS HEREBY GIVEN TO THE MEMBERS of the 130th Annual General Meeting of the Mutual and General Assurance Society.

BRAZILIAN INVESTMENTS S.A. SOCIEDADE DE INVESTIMENTO

INTERNATIONAL DEPOSITORY CORP. NOTICE IS HEREBY GIVEN that the Board of Directors of the company has resolved to pay a dividend.

TRANSPARENT PAPER 046

TRANSPARENT PAPER 046... EFFECTIVELY A NEW CUMULATIVE PREFERENCE SHARE.

CITY OF BIRMINGHAM

NOTICE IS HEREBY GIVEN that in order to prepare annual returns for the year 1981-82, the City of Birmingham Register will be closed on 1st June 1982.

Turriff confident about current year trading

IN HIS annual review Mr W. G. Turriff, the chairman of Turriff Corporation, says that although all the group's construction interests encountered the most severe competitive conditions ever during 1981 as a result of a substantial downturn in the volume of available projects, they nevertheless made substantial contributions to the results.

LONDON TRADED OPTIONS

Table with columns: Option, Expiry, Closing price, Vol., etc. Lists various options and their trading volumes.

BANK RETURN

Table with 2 columns: Wednesday May 19 1982, Increase (+) or Decrease (-) for week. Shows bank returns for various categories.

BANKING DEPARTMENT

Table with 2 columns: £, £. Shows banking department figures for various categories.

ISSUE DEPARTMENT

Table with 2 columns: £, £. Shows issue department figures for various categories.

BASE LENDING RATES

Table with 2 columns: Bank Name, Rate. Lists various banks and their base lending rates.

Thorpac meets its forecast

With taxable profits of Thorpac Group, the distributor of domestic deep freeze packaging and accessories, have risen from £151,000 to £257,000 for the year ended March 31 1982.

Handwritten note: *Handwritten text in a box at the top of the page.*

UK COMPANY NEWS

REPORTS TO MEETINGS

BICC sees better performance

BICC expects to improve its performance in 1982 despite a tight economic environment. Mr Raymond Pennock, chairman, told the annual meeting.

Jeavons prospects good

Mr Terry Maher, chairman of Jeavons Engineering, told shareholders that demand for "Jevo" compression fittings in the year so far had continued to be strong.

Export orders were at a high level in the first four months and the board anticipated total export sales of compression fittings to be 40 per cent ahead for the year. The UK market for gas regulators continued to be difficult. The most exciting prospect was the opportunity for the new range of gas regulators in overseas markets.

Delta higher in first quarter

"During the first quarter of 1982 there has been a slight improvement in demand for the majority of our products in the UK," Lord Galdecote, chairman of Delta Group, told members.

Overseas the Australian and South African economies are less buoyant than in 1981 and competition for available orders is increasing, he said. However, the improvement in the UK outweighs the downturn overseas with the result that group profits for the first quarter of 1982 are higher than for the first quarter of 1981. He was hopeful that this trend would continue.

Morrison sales ahead by 12%

Mr K. D. Morrison, chairman of Morrison Supermarkets, told members that sales for first quarter of the current year were showing an increase of about 12 per cent. Some two-thirds was attributable to inflation and one-third to increased volume, he said.

while during the next few weeks the company will complete the acquisition of two more major store sites. These four schemes will add a further 120,000 sq ft of sales area and will represent an increase of 20 per cent to present space. The extension of the Gillingham store is proceeding and was expected to come on stream in October.

Charles Hill sees encouragement

Charles Hill of Bristol, the civil engineering and shipping group, had been encouraged by several bright spots among its varied interests, according to Mr Alastair Milne, chairman.

Cadbury Schweppes confident

Sir Adrian Cadbury, chairman of Cadbury Schweppes, told shareholders at the annual meeting that he was confident the company's progress would be sustained in 1982.

grow in the UK and he saw earlier opportunities in the U.S. for expansion by acquisition and by organic growth in existing businesses. "We are hopeful of being able to expand our investment there during the course of 1982," he said.

The company had maintained advertising in support of its brands and was in a good position to ride the period out, the chairman said. The business in Argentina, which formed only a small part of Reckitt and Colman as a whole, was carrying on satisfactorily.

Johnson Group forecasts growth

Mr John Crockatt, chairman of Johnson Group Cleaners told the annual meeting that trading in the early months of this year was affected by severe weather but the Group had more than recovered the lost ground.

Reckitt first quarter up

TRADING results for the first quarter at Reckitt and Colman were encouraging, with sales and profit both showing satisfactory increases over the same period last year. Sir James Clesington, chairman, told the annual meeting.

Transport activities have not matched the performance of the rest of the group and no improvement is expected this year, said Mr Milne.

The new acquisition, Octavins Hunt, had proved disappointing in trading terms. Although the first half is normally quiet, results had been adversely affected by customers' destocking of pesticides and by the six months delay in the approval of telephones under the Government's interim approval programme.

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Professor Dr. Herbert Grunewald, Chairman of the Management Board of Bayer A.G., Leverkusen.



Otto Wolf von Amerongen, President of the Association of German Chambers of Industry and Commerce.

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This advertisement complies with the requirements of the Council of The Stock Exchange.

U.S. \$50,000,000

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The issue price of the Debentures is 99 1/2 per cent. The Debentures have been admitted to the Official List by the Council of The Stock Exchange, subject only to the issue of the temporary global Debenture.

Interest is payable annually in arrears on 1st June, the first payment being made on 1st June, 1983.

Full particulars relating to the Debentures, IPF (Illinois Power Finance) Company N.V. and Illinois Power Company are available in the Extel Statistical Service and may be obtained during usual business hours up to and including 3rd June, 1982 from the brokers to the issue:


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20th May, 1982

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BEKAERT in 1981

Zwevegem, Belgium

—A consolidated turnover of £389.472 million

—£19.318 million capital expenditure

—45 factories in 15 countries (inclusive of indirect participations)

—20 own sales offices all over the world

Consolidated results of the Bekaert Group (in £ million*)

	1981	1980
Turnover	389.472	368.135
Net profit in favour of the Group	1.630	3.898
Depreciation	16.044	15.354
Own equity of the Group	118.367	106.945
Capital expenditure	19.318	19.079
*Exchange rate on December 31st in BF	73.61	75.16
Personnel on December 31st	11,811	13,078

Breakdown of consolidated turnover 1981 by activity sector:

—Steel wire and steel wire products	49%
—Steel wire for rubber reinforcement	34%
—Furniture sector	10%
—Engineering and services	7%

Geographical breakdown of consolidated turnover 1981:

—E.E.C.	57%
—Rest of Europe	13%
—North America	22%
—Rest of the world	8%

Results of the parent company N.V. Bekaert S.A.

	1981	1980
in million £*		
Turnover	235.294	223.763
Net profit	2.839	2.515
in £*		
Net profit per share	1.617	1.424
Net dividend (proposition of the Board of Directors to the General Assembly of shareholders)	1.155	1.864
* Exchange rate on December 31st in BF	73.61	75.16

General assembly of shareholders: 26th May 1982 10.30 am at Zwevegem, Belgium

The complete annual report is available on request. Please write to: N.V. BEKAERT SA, Secretariat General, Public Relations, B-8550 Zwevegem, Belgium

Companies and Markets

INTERNATIONAL COMPANIES and FINANCE

JWT calls for second opinion on audit

By Richard Lambert in New York
JWT GROUP, parent of the giant J. Walter Thompson advertising business which has had to write off \$30m as a result of "irregularities" in one of its units, has hired the accounting firm of Arthur Young and Company to review the work performed by its own auditors, Price Waterhouse.

The purpose of the review, JWT said, was "to provide an objective, outside professional perspective to the investigation of accounting irregularities... discovered earlier this year in the TV syndication unit of J. Walter Thompson USA.

Clare set to win Gulf proxy fight

By Our New York Staff
PRELIMINARY proxy count has indicated that a group of dissident shareholders led by Mr Alan Clare, a British investor, had won a majority of the votes cast in a proxy battle for management control of Gulf Resources and Chemical, a Houston-based fertilizer and metal producer.

Strong third quarter gain in Campbell Soup earnings

BY OUR FINANCIAL STAFF
A FURTHER gain in profits in the third quarter has put Campbell Soup, the leading producer of canned soups, in a strong position to top comfortably forecasts for the full year. At the nine-month point, earnings are about one-fifth higher at \$119.3m or \$3.70 a share—compared with \$104m or \$3.20 a share previously—with revenues at \$2.25bn, against \$2.19bn.

Rig sale boosts Gotaas-Larsen

BY ANDREW FISHER, SHIPPING CORRESPONDENT
OPERATING PROFITS OF Gotaas-Larsen Shipping Corporation, based in Bermuda, fell back slightly in the first quarter of 1982, but earnings benefited strongly from the proceeds of a drilling rig sale.

Dome confirms U.S. assets sale

BY ROBERT GIBBENS IN MONTREAL
DOMESTIC PETROLEUM, Canada's third largest energy company, yesterday confirmed plans to sell all its U.S. exploration and production properties.

Euromarket caution on credit for Venezuela

By Peter Montagnon, Euromarket Correspondent
VENEZUELA'S efforts to raise a large credit in the Euromarket have not been helped by a large credit in the Euromarket moved ahead.

Big boys muscle in on mini-computer market

BY LOUISE KEOHE IN SAN FRANCISCO



Digital's Rainbow 100—the latest newcomer in the booming personal computer market.

MAJOR U.S. computer makers are taking aim at the lucrative \$3.5bn personal computer market to recapture profits that have lately been plundered by a band of relative newcomers, like Apple Computer and Tandy Corporation. Following the lead set by IBM last year with its personal computer, Digital Equipment (DEC) last week announced three microcomputers, all with base prices of under \$5,000. DEC's entry into the market is seen as an effort to take advantage of the dramatic 30-40 per cent annual growth rate of the small business microcomputer sector, which is currently outstripping the performance of DEC's traditional market in minicomputers.

A more direct effect of the Falklands crisis on the Euromarket has also been a decision in postponing completion of a \$300m credit for the Argentine electric utility, SEGSA, for a further 30 days.

Two models, both of which have basic prices under \$5,000, incorporate the same computing machine. Analysis says that the small-business computer sector will be able to run software programs already available for that machine, giving the new micros a significant advantage in the marketplace.

FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. For further details on these or other bonds, see the complete list of Eurobond prices which will be published next on Wednesday June 16.

Table with columns for U.S. DOLLAR, OTHER STRAIGHTS, and FLOATING RATE, listing various bond issues with their terms and yields.

Firm undertone in quiet bond markets

By Paul Taylor
TRADING in the Eurobond market came to a near-still yesterday as dealers gathered in Venice for the annual meeting of the Association of International Bond Dealers (AIBD) and most Continental centres were closed for the Ascension Day holiday.

Dealers did, however, note that several new issues remained weak, reflecting the continuing excess supply of new paper, and suggested that this was unlikely to change before Monday.

Sethbacks for stores groups

By Our Financial Staff
DISAPPOINTING FIRST quarter results were announced by two major U.S. retailers.

Table with columns for SWISS FRANC STRAIGHTS, YEN STRAIGHTS, and CONVERTIBLE, listing international bond issues.

Baker International Corporation U.S. \$200,000,000 Revolving Credit Facility. Managed by Morgan Grenfell & Co. Limited, Swiss Bank Corporation International Limited, etc.

in on market

NEW ISSUE *These notes having been sold, this announcement appears as a matter of record only.*

IC Industries Finance Corporation N.V.
U.S. \$75,000,000
14% Guaranteed Notes Due 1989
 Unconditionally Guaranteed by

IC Industries

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 Orion Royal Bank Limited
 Société Générale de Banque S.A.
 Union Bank of Switzerland (Securities) Limited

Westdeutsche Landesbank Girozentrale

Amro International Limited
 Bayerische Vereinsbank Aktiengesellschaft
 Banca del Gottardo
 Bank für Gemeinwirtschaft Aktiengesellschaft
 Bank Gurzwiller, Kurtz, Bangerter (Overseas) Limited
 Bankhaus Hermann Lampé KG
 Bank Leu International Ltd.
 Bank für Meeres- & Handelsbank Aktiengesellschaft
 Banque Internationale à Luxembourg S.A.
 Banque de Paris et des Pays-Bas (Suisse) SA
 Banque Privée de Gestion Financière
 Banque Worms
 Baring Brothers & Co., Limited
 Bayerische Hypothek- und Wechsel-Bank Aktiengesellschaft
 Bear, Stearns & Co.
 B.S.I. Underwriters Limited
 Cazenove & Co.
 Christiania Bank og Kreditkasse
 Creditanstalt-Bankverein
 Crédit du Nord
 Daiwa Europe Limited
 Dresdner Bank Aktiengesellschaft
 Effektenbank-Warburg Aktiengesellschaft
 Euro-mobiliare S.p.A.
 First Chicago Limited
 Genossenschaftliche Zentralbank AG
 Goldman Sachs International Corp.
 Göttschebank
 Handelsbank N.W. (Overseas) Limited
 Mitsubishi Bank (Europe) S.A.
 Nederlandsche Middenstandsbank N.V.
 Nomura International Limited
 Norddeutsche Landesbank Girozentrale
 Sal. Oppenheim jr. & Cie.
 Pierson, Halding & Pierson N.V.
 Privatbanken A/S
 Rabobank Nederland
 Sawva Bank (Underwriters) Limited
 Scandinavian Bank Limited
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May 1982



Merrill Lynch

NEW ISSUE *These notes having been sold, this announcement appears as a matter of record only.*

U.S. \$50,000,000
European Asian Capital B.V.
(Incorporated with limited liability in the Netherlands)
Guaranteed Floating Rate Notes Due 1992
 Unconditionally Guaranteed by

European Asian Bank
(Incorporated with limited liability in the Federal Republic of Germany)
 Aktiengesellschaft

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 Chemical Bank International Group
 Creditanstalt-Bankverein
 The Hongkong Bank Group
 National Bank of Abu Dhabi
 Orion Royal Bank Limited
 Sumitomo Finance International

Samuel Montagu & Co. Limited
 Citicorp International Group
 Deutsche Bank Aktiengesellschaft
 IBI International Limited
 Nomura International Limited
 Société Générale de Banque S.A.
 Swiss Bank Corporation International Limited
 Takagin International Bank (Europe) S.A.

Amro International Limited
 Banca Commerciale Italiana
 Bank of America International Limited
 Bank Brussel Lambert N.V.
 Bank Leumi Le-Israel Group
 Banque de Paris et des Pays-Bas
 Banque de l'Union Européenne
 Crédit Commercial de France
 Crédit du Nord
 Daiwa Europe Limited
 Die Erste Österreichische Sparkasse
 European Asian Finance (HK) Ltd.
 European Banking Company Limited
 Genossenschaftliche Zentralbank AG
 Girozentrale und Bank der Österreichischen Sparkassen Aktiengesellschaft
 Goldman Sachs International Corp.
 Italian International Bank Limited
 Kleinwort, Benson Limited
 Lehman Brothers Kuhn Loeb International, Inc.
 LTCB International Limited
 Manufacturers Hanover Limited
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 Mitsubishi Trust & Banking Corporation (Europe) S.A.
 Nordic Bank PLC
 Sal. Oppenheim jr. & Cie.
 Schröder, Münchmeyer, Hengst & Co.
 J. Henry Schroder Wegg & Co. Limited
 Société Générale
 Standard Chartered Merchant Bank Limited
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 S. G. Warburg & Co. Ltd.
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 Wood Gundy Limited

May 1982

NEW ISSUE *These warrants having been sold, this announcement appears as a matter of record only.*

IC Industries Finance Corporation N.V.
225,000 Warrants to Purchase
U.S. \$225,000,000 Sinking Fund Zero Coupon Bonds Due 1994
 or
225,000 Shares of Common Stock of IC Industries, Inc.
 The Bonds will be Unconditionally Guaranteed by

IC Industries

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 Morgan Guaranty Ltd.

May 1982

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U.S. \$40,000,000
Kansas Gas and Electric International Finance N.V.
15 3/4% Guaranteed Notes Due May 1, 1989
 Unconditionally Guaranteed by

Kansas Gas and Electric Company
 which will issue its First Mortgage Bonds to secure its guarantees

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 Amro International Limited
 Bank Brussel Lambert N.V.
 LTCB International Limited
 Société Générale

Banca del Gottardo
 Crédit Lyonnais
 Morgan Stanley International
 Swiss Bank Corporation International Limited
 S. G. Warburg & Co. Ltd.

Algemeene Bank Nederland N.V.
 Bank of America International Limited
 Bank Gurzwiller, Kurtz, Bangerter (Overseas) Limited
 Banque de Paris et des Pays-Bas
 Banque Internationale à Luxembourg S.A.
 Banque Populaire Suisse S.A., Luxembourg
 Banque Privée de Gestion Financière
 Banque Worms
 Bear, Stearns & Co.
 Berliner Handels- und Bankbank
 Cazenove & Co.
 Chemical Bank International Limited
 Compagnie de Banque et d'Investissements, CBI
 Crédit du Nord
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 Daiwa Europe Limited
 DG BANK
 Deutsche Genossenschaftsbank
 Goldman Sachs International Corp.
 Kidder, Peabody International Limited
 Kredietbank N.V.
 Lehman Brothers Kuhn Loeb International, Inc.
 Manufacturers Hanover Limited
 Morgan Grenfell & Co. Limited
 Nomura International Limited
 Norddeutsche Landesbank Girozentrale
 Nordic Bank PLC
 Orion Royal Bank Limited
 Pierson, Halding & Pierson N.V.
 Sal. Oppenheim jr. & Cie.
 Smith Barney, Harris Upham & Co., Incorporated
 Société Générale de Banque S.A.
 Svenska Handelsbanken
 Vereins- und Wesbank Aktiengesellschaft
 M. M. Warburg-Brinckmann, Wirtz & Co.

May 1982

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16 1/2% Debentures, Series EU, Due May 15, 1989
 Unconditionally guaranteed by

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 Société Générale
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Amro International Limited
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 Continental Illinois Limited
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 Lévesque, Beaubien Inc.
 Société Générale de Banque S.A.
 S. G. Warburg & Co. Ltd.
 Wood Gundy Limited

May 1982

INTERNATIONAL COMPANIES and FINANCE

ROYAL DUTCH PETROLEUM COMPANY

ROYAL DUTCH PETROLEUM COMPANY (N.V. Koninklijke Nederlandse Petroleum Maatschappij) Established at The Hague, The Netherlands FINAL DIVIDEND 1981

The General Meeting of Shareholders of Royal Dutch Petroleum Company held on 18th May, 1982 has decided to declare a total dividend for 1981 of N.fl. 7.50 (including the interim dividend of N.fl. 3.00 already made payable in September, 1981) on each of the 268,037,044 outstanding ordinary shares...

Shareholders may request payment of the dividend in a different currency. Information in this respect will be supplied by the paying agent upon request.

Netherlands dividend tax at the reduced rate of 15 per cent will be deducted from the gross dividend where:

(a) United Kingdom income tax has also been deducted; (b) Coupons are presented on behalf of residents of the United States of America, Australia, Austria, Belgium, Canada, Denmark, Finland, France, Ireland, Japan, Luxembourg, Netherlands Antilles, New Zealand, Norway, South Africa, Spain, Sweden or West Germany...

Netherlands dividend tax at the reduced rate of 20 per cent will be deducted from the gross dividend where coupons are presented on behalf of residents of Indonesia or Surinam...

In all other cases Netherlands dividend tax of 25 per cent is to be deducted.

In the case of shares whose dividend sheets were, at the close of business on 19th May, 1982, in custody of a Depository admitted by Centrum voor Fondsenadministratie B.V., Amsterdam, this final dividend will be paid to such Depository on 1st June, 1982.

Where appropriate, the usual affidavit certifying non-residence in the United Kingdom will also be required if payment is to be made without deduction of United Kingdom income tax.

Where under the double tax agreement between the United Kingdom and the Netherlands, 15 per cent Netherlands dividend tax has been withheld, the 15 per cent Netherlands tax is allowable for a resident of the United Kingdom as a credit against the United Kingdom income tax payable in respect of the dividend.

21st May, 1982 ROYAL DUTCH PETROLEUM COMPANY

Allianz underwriting side remains in the doldrums

BY OUR FINANCIAL STAFF

ALLIANZ VERSICHERUNGS, West Germany's biggest composite insurance group, is finding it increasingly difficult to show a profit on underwriting. Herr Wolfgang Schieren, management board chairman, said a profit would only be possible this year if motor transport and household insurance improved.

growth and rising claims. Industrial fire claims rose by about DM 160m on the first quarter of 1982 to DM 537m. The parent company's transport underwriting showed a DM 34.8m loss in 1981, up from a DM 21m loss in 1980.

West German business contributed 84.6 per cent of domestic group premiums last year, up from 84.2 per cent in 1980. World group premiums last year totalled DM 12,99n, against DM 11.6bn.

Neckermann runs up another loss

BY KEVIN DONE IN FRANKFURT

NECKERMANN, West Germany's third largest mail order company, ran up another big loss last year of DM 68.7m (\$29.6m), against DM 69.7m in 1980.

Neckermann finance chief, who joined the board in 1977 following the first Karstadt rescue, said the company would cut its deficit substantially, but would not break even this year.

Stocks were being cut by about DM50m, and the company was also being helped by falling interest rates, he said. Neckermann was hit last year by the falling volume of sales, high interest rates and continuing losses from its French mail order subsidiary.

Slow growth at Far East Hotels

By Robert Cottrell in Hong Kong

FAR EAST Hotels and Entertainment has announced profits after tax of HK\$31.4m (U.S.\$5.6m) for 1981, against a prior year HK\$30.8m and says it has completed the S\$Fr 37.5m (U.S.\$18.7m) purchase of a Geveva hotel.

Standard Elektrik Lorenz suffers steep reverse

BY STEWART FLEMING IN FRANKFURT

STANDARD Elektrik Lorenz, the publicly quoted West German subsidiary of IFF of the U.S., suffered a sharp fall in net profits last year to DM 25.6m (\$11m) from DM 42.7m in 1980.

IBM Deutschland, the subsidiary of IBM, reports a slight fall in profits for 1981. Earnings declined to DM 540m (\$323.7m) from DM 590m, partly reflecting the extraordinary earnings which inflated the 1980 figures.

BCH bids 'undervalue' Reef and Basin Oil

By Michael Thompson-Noel in Sydney

BOND Corporation Holdings of Perth said yesterday it had yet to decide how to react to a report criticising its bids for the remaining shares in Reef Oil and Basin Oil.

Reef and Basin are two of the smaller partners in the Cooper Basin oil and gas project in central Australia.

BCH the main quoted vehicle of Mr Alan Bond, the Western Australian businessman, already owns 70 per cent of Reef and 51 per cent of Basin.

Wing On lifts earnings

WING ON (Holdings), whose interests include banking, retailing and trading, has reported net profits for 1981 of HK\$104.5m (U.S.\$19m), up 48 per cent from a year earlier.

The bank had earlier said it expected earnings to match the 1980-81 results despite the bankruptcy of a major client with business to Saudi Arabia.

Genting plans to list plantation subsidiary

BY WONG SILONG IN KUALA LUMPUR

GENTING, the Malaysian casino and hotel group, has announced plans to list Asiatic Development, its plantation subsidiary, on the Kuala Lumpur and Singapore exchanges.

It is selling off 30.4m shares, representing 19 per cent of the paid-up capital of 160m shares of Asiatic.

Subsequently, Genting's holding in Asiatic was reduced to 70 per cent by selling 30 per cent to the Malaysian Armed

Forces Co-operative to comply with Government requirements. For the year ended December, 1981, Asiatic had after-tax profit of 8.7m ringgits and net tangible assets of 119m ringgits.

9.9m ringgits to Tan Sri Lim Goh Hong, chairman of the group, for 8.7 acres of land in Kuala Lumpur, now used for the group's helicopter service from the city to its casino 30 miles away.

Trading slips at Roche

BY JOHN WICKS IN ZURICH

HOFFMANN-LA ROCHE, the Swiss pharmaceuticals and chemicals group, has experienced reduced trading levels in the first four months of this year.

Sales for the period have slipped by 3 per cent, the company said in Basle, adding that 1982 was going to be a difficult year.

Kredietbank to pay same

BY OUR FINANCIAL STAFF

KREDIETBANK, Belgium's third largest bank, reports net profits of BFr 1,769m (\$40m) for the year ended March 31, the same as in the previous year.

chemicals divisions, turnover was down by 4.4 and 6 per cent respectively, largely as a result of the strength of the Swiss franc.

Last year net income rose by 9.3 per cent to SFr 253.1m (\$127.5m) after a 15.7 per cent increase in turnover.

Roche is continuing with various programmes to improve profitability. These include strict new priorities in research and a hard look at cost structures in the Swiss operations.

Kredietbank said its balance sheet total had grown by 24 per cent in a year to BFr 389n. Customers' deposits were up 11.3 per cent to BFr 322bn, partly as a result of the foreign exchange repercussions of the Belgian franc devaluation.

Balances due to banks and affiliates rose by 42 per cent to BFr 218bn, although half of the gain was attributable to the higher valuation of foreign exchange balances.

Advertisement for American Medical International N.V. featuring US \$25,000,000 9 1/4 per cent Guaranteed Convertible Bonds 1997. Includes details about the bond's terms, the company's background, and a list of participating banks from various countries.

Advertisement for Godsell, a foreign exchange and currency services company. Features the headline 'Foreign exchange, currency loans and deposits... talk to Godsell' and lists services such as spot and forward exchange, CD's, FRCD's, and SDR's. Includes contact information for London and a handwritten signature.

Vertical text on the right margin including 'L. C.', 'ond', 'spit', 'west', 'ROND-', 'WE MADE', and 'floatin'.

APPOINTMENTS

New chief for Imps food division

Mr Gerry Sharman has been appointed managing director of IMPERIAL GROUP'S food division. He was formerly chairman and chief executive of Golden Wonder and EP Foods which he joined in 1986. Mr Sharman will be taking on part of the executive duties of Mr Michael Davies, who has resigned as chairman and chief executive of the food division. Mr Davies, who is 58, said he had decided to pursue other interests outside the group. Mr Geoffrey Kent, Imperial's chairman, expressed "warm appreciation" of Mr Davies' contribution to the group, particularly over the last 31 years when he has headed the food division. Mr Davies played a major role in co-ordinating Imperial's recent sale of its poultry and meat trading interests.



Mr T. G. Sharman

The MOTOR INDUSTRY RESEARCH ASSOCIATION (MIRA) has appointed Dr Peter Wright, general manager and director of Lofbrizol International Laboratories, Derby, as chairman of council in succession to the late Dr T. L. (Johnnie) Johnston of GKN Technology, who died in office earlier this year.

CAPITAL RADIO has appointed Ms Jo Sandilands as a director. She joined the staff of Capital eight months ago as programme controller, and was formerly editor of Woman magazine.

Mr A. K. Rae has joined the EDINBURGH INVESTMENT TRUST as an assistant manager.

Mr S. Oshima, general manager of Vickers da Costa's Tokyo branch, has been appointed a director of VICKERS DA COSTA (HOLDINGS).

Mr Derek Bayner and Mr Desmond Chapman have been appointed to the board of ASTAIRE AND CO, stockbrokers.

Mrs Mary Baker has been appointed to the board of AVON COSMETICS, the UK company of Avoo Products Inc.

ROYAL INSURANCE (UK) has made the following executive changes: Mr I. L. Rushton is appointed senior deputy general manager on July 1. At the same time Mr W. Scanlan and Mr P. J. Sherman are appointed deputy general managers. Mr J. Williamson, general manager, retires on December 31. He will be succeeded by Mr I. L. Rushton. Mr F. E. Gosey, deputy general manager, retires on June 30.

Mr Peter Garth, technical director, has been made deputy managing director of HORSELL GRAPHIC INDUSTRIES.

Mr Martin Bejam has joined GERRARDS as joint managing director, an appointment which completes the top management

sultants), chairman of Berger Paints (Ireland), and director of Irish Ropes, Celtic International Insurance Company and other companies.

Mr Roy Ames, an executive director of IMI, has been appointed chairman of IMI CORNELIUS GROUP, the company through which all IMI's £80m sales drink dispense activities are to be directed. Other members of the board will be: Mr David Morgan, who has been appointed president of the Cornelius Company, of Minneapolis (acquired by IMI in February 1982), who will be responsible for the Americas and the Far East; Mr Greg Maddox, general manager of Cornelius Apparate, Langenfeld, West Germany, responsible for continental Europe; Mr Richard Johnson, managing director of IMI Cornelius (UK), responsible for the UK; Mr Robert Spencer, who has been appointed deputy chairman of IMI Cornelius International, a new company formed to develop and co-ordinate the world-wide activities of the IMI Cornelius Group, will be based in Bradford; Mr Malcolm Owens, who has been appointed managing director of IMI Cornelius International, and will be based at Birmingham; and Mr Martin Hallas, who has been appointed finance director of IMI Cornelius International, based at Birmingham. Mr Colin Greenwood has been appointed finance director of IMI Cornelius (UK), and will continue to be responsible for Marstair, a Cornelius subsidiary manufacturing air conditioning equipment, of which Mr R. Holden will remain as director and general manager.

appointed managing director of the Glendale kitchen furniture manufacturing business and Mr John Walters managing director of Headway, the Glendale marketing company.

Mr Michael Steward, deputy chairman of William Steward and Co. is Electrical Contractors Association president for 1982-83. Vice-president is Mr George Giffen, director of Giffen (Electrical Contractors). Mr Jim Wedlock, operations director in William Steward's overseas division, will be Mr Steward's senior vice-president.

Mr M. J. R. Armitage will be leaving HOARE GOVETT, stockbrokers, on June 4.

Mr Tony Pitkin has been elected to the board of MULTIMEDIA COMMUNICATION SYSTEMS, UK subsidiary of Multitone Electronics. He joined the company on October 1, 1981, as technical services manager and retains this responsibility in his new capacity.

At ALEXANDER HOWDEN GROUP Mr J. C. Varney and Mr C. A. Limwood have retired as directors. Mrs K. B. Green succeeds Mr Limwood as company secretary. From June 1 Mr M. J. A. Glover is appointed chairman of Howden Management and Data Services in place of Mr J. C. Varney, and Mr A. J. Page is appointed chairman of Alexander Howden Financial Services in place of Mr Limwood. Mrs Green is appointed to the board of Alexander Howden Financial Services from the same date.

NABARRO NATHANSON, solicitors, have admitted to the partnership Mr Peter J. Siger, Mr Martio Bennett, Mr John Heller and Miss Rhona Lester.

BSG (INDUSTRY), job-creation arm of the British Steel Corp., has appointed Mr Brian Margrett as its regional manager for South Wales. He is at present the company's industry co-ordinator for the Newport area, and succeeds Dr Jim Driscoll.

FABER BLINDS (GB) has appointed Mr Philip Ferring to the board. He is a former deputy chief executive of the UK company. Other changes of the board following the retirement of Mr E. Helmer Nielsen and Mr B. Weade are: Mr Ingolf Sogard Andersen, managing director of A/S Chr. Fabers Fabrik, becomes the new chairman. Mr Jens Maffand, export manager of A/S Chr. Fabers Fabrik becomes a director and Mr Kristian Mortensen, chief accountant of A/S Chr. Fabers Fabrik, also, becomes a director.

MARTIN THE NEWSAGENT has appointed Mr H. S. Lee an executive director from June 1.

ATWA (UK) has appointed Mr Mike Emery as sales director.

THE BOWAS GROUP

is pleased to announce that its new Group Headquarters and Information Office is located from the 1st May 1982 in

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- Induplan-Chemie Ges. mbh, Salzburg
- Von Bohlen Investment and Management Services S.A.M., Monaco
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- Bohlen Internationale S.A., Luxembourg
- Bohlen Sudamericana S.A., Buenos Aires

Helmut Raiser,
Managing Partner

Zug, May 1982.

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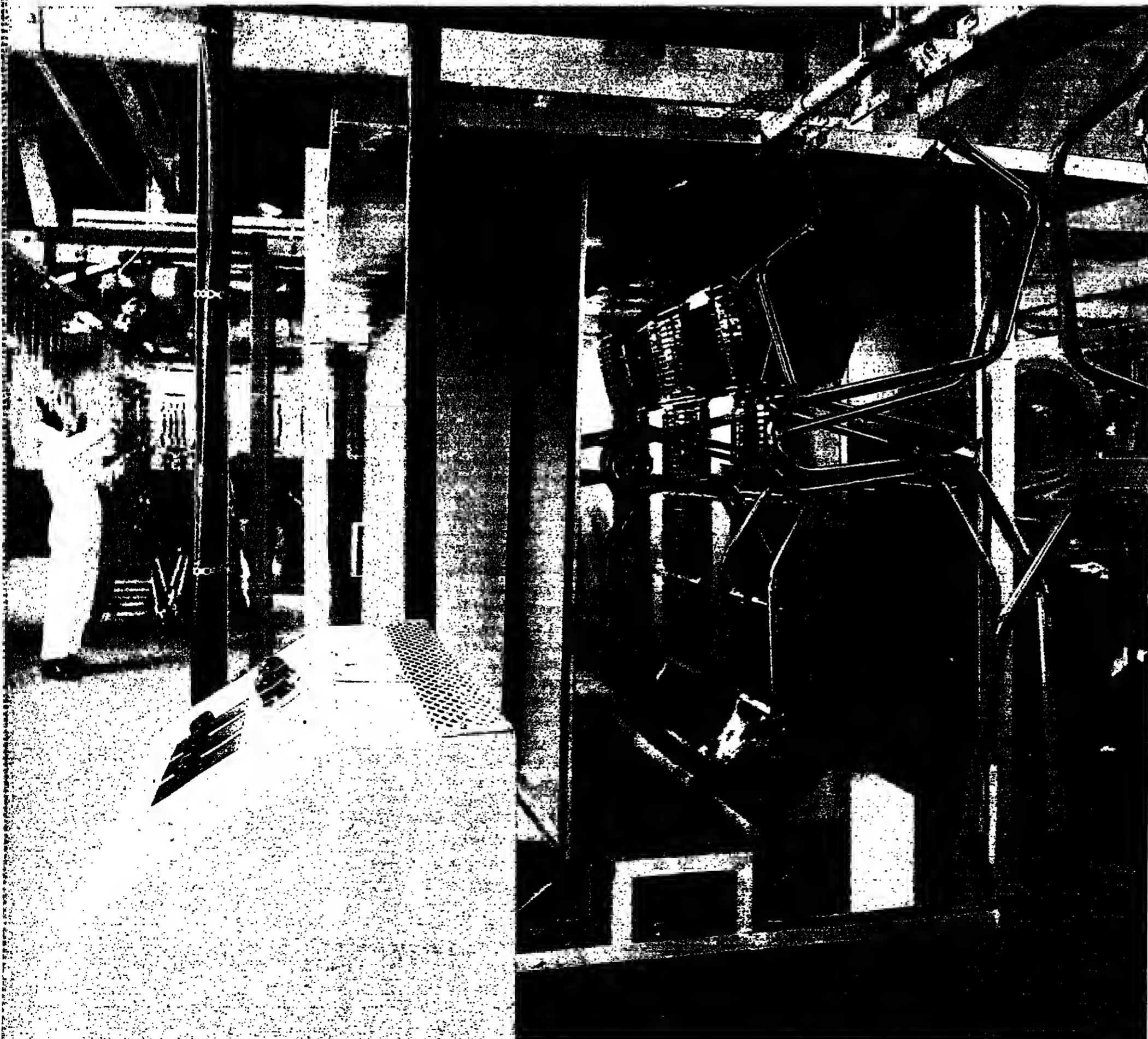
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FINANCIAL TIMES SURVEY

Friday May 21, 1982

Antigua and Barbuda

Aim is more independence

THE MORE mischievous among the people of St John's, the capital of Antigua and Barbuda, delight in telling the visitor about the three-cornered independence arch that almost never was.

A week before the tiny East Caribbean nation severed its links with Britain, the old colonial power, on November 1 last year, a member of the nation's 75,000 population, apparently seized by an excess of early independence exuberance, climbed into one of the cranes setting up the monument, pulled a lever and sent part of the structure crashing to the ground.

This survey was written by Paul Taylor

No one was hurt, and the arch symbolising the three-island state of Antigua, Barbuda and the uninhabited Redonda, was completed in time for the celebrations. Luckily for him, the amateur crane driver was only a temporary guest at the local police station.

But the incident, soon forgotten in an otherwise flawless and happy festival, is a reminder of the fragility of that independence and that of other small underdeveloped nations.

Three months later it was Mr Lester Bird, deputy Prime Minister, speaking during the Budget debate, who reminded his audience that he had warned them "not to be blinded by the light of political independence."

The new nation was only "one step along the steep incline to

economic self-reliance," he said. His words echoed those of the Finance Minister, Mr John St Luce, who had spoken of the economy as being "at the crossroads."

The economy does indeed stand at the crossroads. It has been growing fast, helped by the winter tourism which contributes directly and indirectly more than 40 per cent to Gross Domestic Product.

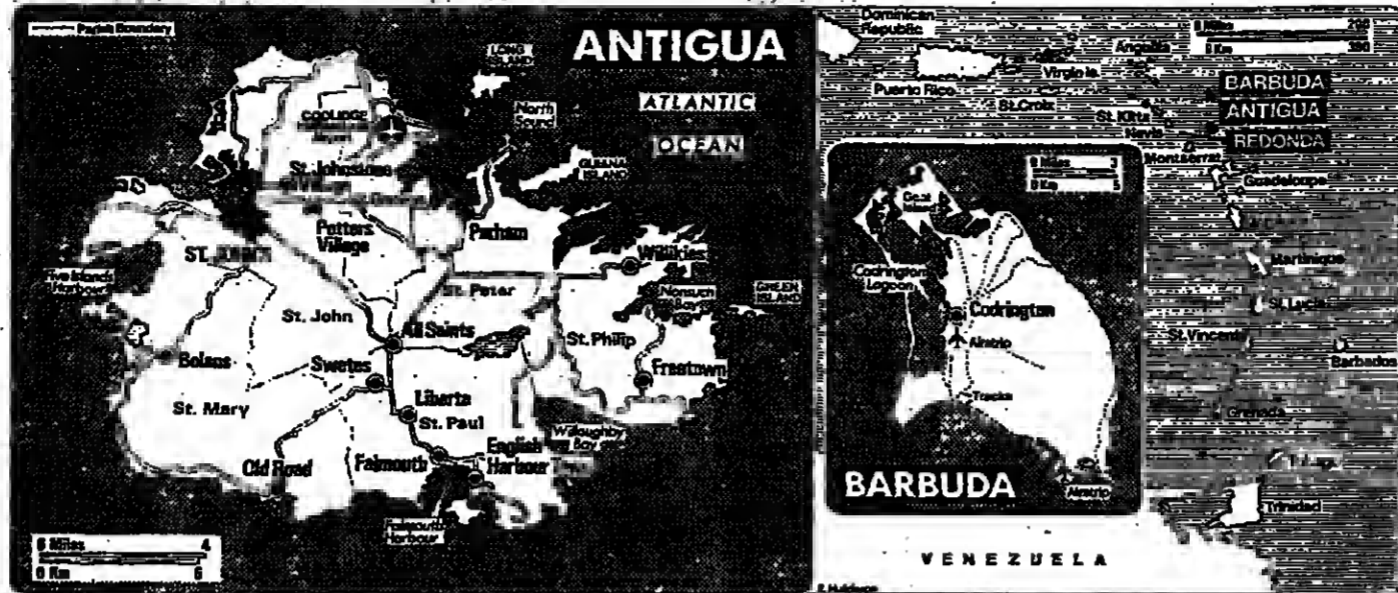
But this rapid growth masks serious problems, including over-dependence on tourism, a weak agricultural base and, like other developing nations which have to rely on overseas funding for infrastructural improvement, a large external debt to service.

Central to the efforts to maintain economic growth is the need to diversify the economy away from its dependence on tourism and to stem the outflow of valuable foreign currency through imports, particularly of food.

Successive governments have had only limited success in trying to revitalise the agricultural sector, in part because of infrastructure problems but also because, despite 20 per cent unemployment, many workers are unwilling to return to the land. They prefer the better paid and less arduous work to be found in serving the tourists.

The government is undertaking a showcase project aimed at restarting limited sugar production, although it has so far run into funding and other problems.

Manufacturing industry is typically labour-intensive and export-oriented, reflecting the availability of relatively cheap and literate labour and the proximity of the vast North and



The new East Caribbean nation seeks to stimulate growth in order to provide more jobs and raise the standard of living. By widening its economic base and boosting agriculture it hopes to become less dependent on the tourist industry

South American markets.

Among the major successes claimed by the present government is the reopening last month of the West Indies Oil refinery, which had become something of a crusade for the ruling Antigua Labour Party and Mr Vere Bird, the Prime Minister. It had been closed since 1974 but has since been re-equipped by the Swiss-based Inter Maritime group and the financier Mr Bruce Rappaport at a cost of US\$30m.

The government has now applied to Mexico and Venezuela for concessionary-rate crude to feed the refinery, which has a capacity of 20,000 barrels a day and should meet

not only domestic petroleum needs but also those of the whole East Caribbean.

One of the most significant features of the economy of Antigua and Barbuda, and potentially one of its most serious problems, is its dependence on overseas borrowing to fund major projects and infrastructural improvement.

As a result, the country has an external debt of at least EC\$73m and debt-servicing this year will absorb EC\$18.3 of the islands' EC\$106.3m budget. This represents EC\$970 for every member of the population. Some of this pressure should be eased by independence, which has opened up new

sources of aid and soft loans to the nation. But some form of debt rescheduling appears likely in the short term, given the existing payments problems.

The government is currently attempting to quantify the exact size and structure of its external debt obligations — a task which reflects the lack of much up-to-date information about the economy. Apart from the most common topic of conversation among businessmen in Antigua is the country's domestic politics and the fear that one of the Caribbean's most stable democracies could be toppled by a Grenada-style coup or at least plunged into political turmoil.

Mr Vere Bird, the Prime Minister and veteran union leader, and the Antigua Labour Party have led the islands since 1951 when full adult suffrage was introduced — with one five-year break from 1971.

In 1971 the Progressive Labour Movement (PLM), formed after a split in the main trade union, the Antigua Trades and Labour Union (ATLU), produced the rival Antigua Workers Union (AWU). It was swept to power on the back of an election campaign dominated as much by personalities as by policies and also by the slogan "Antigua for the Antiguans."

But the PLM was removed with equal vigour when in 1976,

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Editorial production: Arthur Dawson. Design Philip Hunt.	

following a period of economic stagnation, the closure of the oil refinery and the final demise of the sugar industry, the ALP was returned to office.

The PLM has still not fully recovered from its defeat. In the 1980 elections the PLM, led by Mr Robert Hall, a white Antiguan, won only three seats and many people think it does not represent an effective opposition.

The decline of the PLM and re-emergence of the ALP has coincided with a weakening of the links between the two parties and their trade union bases — a process encouraged by leaders of both parties.

But this maturing of the political parties, and the relative weakening of the political power of the trade unions, has left a power vacuum which the growing but still small middle class has as yet been unable to fill.

The third party in Antigua and Barbuda is the Antigua Caribbean Liberation Movement (ACLM), led by Mr Tim Hector, who describes it as an "independent socialist" party which is "Marxist in its analysis of society but has no connections with Moscow or Peking."

In 1980 the party contested nine out of the 17 seats and polled just 12 per cent of the votes. Even so, Mr Hector has built his party around a lively and controversial paper called *Outlet*, which prints a stream of exposés and allegations of corruption in the government.

These allegations are firmly denied by Mr Lester Bird, the Deputy Prime Minister.

Mr Hector believes the ACLM is gaining support and likely to poll about 40 per cent of the vote at the next election to win about eight seats. Few outside his party agree, pointing to the traditional conservatism of the electorate and the matriarchal and religious nature of Antiguan society.

Divisions exist

Nonetheless, most politicians and business leaders agree that the ACLM "needs to be watched". Many people, including Mr Hector himself, believe the existence of two U.S. military bases in the island rules out a Grenada-style coup. They suggest that divisions within the ALP itself are a more immediate problem.

Cabinet divisions certainly exist, but the real question is who will succeed the 71-year-old Prime Minister. The general expectation is that Mr Lester Bird will win control of the party, though some believe there could be a period of bitter political in-fighting before that succession is assured.

Provided the ALP can overcome this problem and get to grips with the existing weaknesses in the economy, the new nation could have a bright future. But, as Mr Lester Bird said, the country is "as yet on the bottom rung of the ladder to economic independence."

A Fortune in Antigua and Barbuda

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ANTIGUA AND BARBUDA III

Islanders fear new Act will undermine traditional lifestyles

Land proposals cause fear of speculators

BARBUDA

BARBUDA IS a flat coral island of 82 square miles, its highest point 143 feet above sea level, 26 miles north of Antigua with nothing much to recommend it other than its people. The 1,500 Barbudans, two-thirds of whom are women or children, now feel their lifestyle under threat.

The tiny Caribbean island has been economically and politically bound to Antigua since Sir Christopher Codrington leased it from the Crown in 1685 to use as a supply base for the family sugar estates on Antigua. In 1860 Barbuda was made a dependency of Antigua, 10 years later the Codrington family ended its lease on the island.

The status of Barbuda and the Barbudans was, however, to become a major issue first at the Constitutional Conference in London in 1966, which paved the way for Antigua and its dependencies of Barbuda and the uninhabited Redonda, to become an Associated State the following year, and then at the Constitutional Conference in December 1980 which led to independence.

The 1980 conference in particular brought bitter claim and counter claim from the representatives of Antigua and Barbuda. In the end of the UK sided with Antigua and agreed that Barbuda should become part of the new independent state.

11-man council

Although the Barbudans, represented by an 11-man island council which since 1976 has had most of the powers of a local authority, are realistic enough to recognise that the island could probably not survive at present as an independent state, they continue to harbour separatist hopes and feel let down by the UK.

Some Barbudans say that independence has meant nothing more than "swapping one colonial ruler for another" and many Barbudans trust the central government in Antigua

less than they trusted the British.

These fears have brought into focus by two main factors. First the Barbudans believe that central government is deliberately blocking funds for the island. Second they are intensely suspicious of a land Act recently passed by the Government which they consider will undermine traditional lifestyles on the island and expose them to speculators.

Barbuda is an agrarian subsistence economy. The only industrial activity on the island is a sand-mining works run by a U.S. company. However mining stopped recently after a tug sank and there are fears that it will not restart, thus depriving the island of EC\$360,000 a year in earnings and 30 jobs.

Lobster fishing provides the island's main export, between 1,000 lbs and 3,000 lbs are caught each week during the summer season and produce about EC\$1.25m a year in earnings.

There is one hotel on the island, the exclusive and expensive Coco Point Hotel, which provides work for a brief winter season and contributes a total of EC\$200,000 a year to the island councils coffers in rent and guest taxes. A second, locally-financed hotel, the Dulcina Hotel, was left half completed when funds ran out.

The only other major source of income to the island is the sale of postage stamps and it is around these sales that the Barbudans mount their major case of financial neglect against the central government. The island council, led by Mr Hillbourne Frank, its chairman, claims that the island should be receiving about EC\$300,000 a year from the sale of stamps, mainly to philatelists.

The central government admits that this money has not been paid but counters that Barbuda receives subsidised electricity and other services including teachers, nurses and 15 policemen (which the Barbudans view as an occupying force), for which no charge is made.

Although the sum is small, even in relation to Antigua's budget, it represents a major

element in the Barbuda council's combined current and capital EC\$3.1m 1982 budget. The council's anger is intensified by the fact that its 1981 budget, has still not been approved and it has now given up any hope of collecting the back "rate support grant" it feels it is due. But if the question of island finances ceases friction between Barbuda and Antigua the issue of land is potentially far more serious.

Since the abolition of slavery in Barbuda, in 1834 land in Barbuda has been held communally "in trust" for all Barbudans including the estimated 6,000 who live overseas and whose remittances totalling about EC\$120,000 a year help feed the local population.

No mortgages

This means that on Barbuda there are no mortgages, no rents and if a Barbudan wants to build a house the only things he needs are the council's approval and the labour and material to construct it.

By the same token every family can plant and grow its own crops. Members of the island council argue that after independence the land belongs to the council who hold it in trust for the Barbudans and fear that any other system would eventually lead to the private ownership of land, the influx of "foreigners" and the demise of the traditional social structure.

The land issue, though a central theme of the Barbudans case during the Constitutional Conference, was brought to a head earlier this year when the central government passed a technical Act called the Barbuda Ordinance (Amendment) Act.

The Act sets up a land tribunal to compensate Barbudans who have a claim upon land sold or leased by the Crown. Mr Lester Bird, Antigua's deputy prime minister, argues that the Act does nothing more than "give the Barbudans title over their land."

However the islanders are deeply suspicious of the Act which they view as an unwarranted interference by central government in their

affairs and a "trojan horse" opening the way for private ownership and challenging the authority of the island council.

These fears have been considerably heightened by a series of development proposals for the island, the latest of which is a multi-million dollar project by "The Sovereign Order of New Aragon." The Order's representatives describe it as "a chivalrous and charitable entity" which, in return for rights to about half the island's land area, would complete the Dulcina hotel, build a new airport, construct roads and a port and improve the island's economic infrastructure.

The Order proposes that the project area of the development by the Order will be a Prince, hence the name will be Principality, consisting of the Prince's Palace, Chancery Building, though the Knights will not reside year round, they will maintain a residence in the Principality. (Knights are from all over the world and are persons of high finance, and highly educated.)

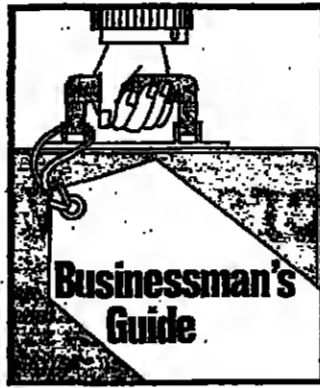
The Barbudans are, perhaps understandably, suspicious of the proposal and those financing it. Both the Council and the Antigua Government are seeking the help of UK and U.S. agencies to investigate the Order.

The proposed development has however already exposed underlying splits within the island council between those who reject almost all outside development and those, like the island's one parliamentary representative, Mr Eric Burton, who is also a member of the council, who welcomes the proposal. Mr Burton rejects all suggestions that the Order is "trying to rob the people" and remains hopeful that the proposal will be approved.

The overriding danger is perhaps that this split could undermine the council's attempts to improve basic services on the island. Although the council has recently attempted to broaden the island's economy by setting up an EC\$ 20,000 collective farming project growing coconuts, bananas and tomatoes, fundamental deficiencies still exist.



Nelson's dockyard, English harbour: part of Antigua's history



THERE ARE few surprises awaiting the business visitor for Antigua and Barbuda if the traveller remembers that with a population of 75,000 the nation is not much larger than many medium-sized European towns and considerably less developed. That said several of the hotels, some of the restaurants and most of the beaches surpass reasonable expectations.

Hotels

The major government offices, banks and most commercial activity is centred on the capital St John's and the working day starts early so it is probably best to stay in one of the hotels just outside the town. These include the family-run Barrymore which is simple, relatively cheap and although it is not on the coast, has a swimming pool and a reputation for reasonable food. A few miles further out there are a series of hotels on

Dickenson Bay including the Hawksbill which provides more of the amenities found in European and North American hotels including telex, telephones in the rooms and air conditioning. The hotel also boasts one of the island's two casinos.

An alternative, particularly if business is combined with pleasure, are the Blue Waters and Hawksbill Beach hotels. Both offer superb beaches—one of the four at Hawksbill is reserved for topless bathing—and a friendly atmosphere. At the Hawksbill roof fans replace air conditioning, the food is good and there is nightly entertainment.

Self-catering apartments with a maid service such as Antigua Village offer a further option. Most hotels can be booked directly by telex or through travel agents.

Food

Most hotel and restaurant food is imported from North America but some local specialties exist such as lobster and there are at least two dozen local cocktails which tend to be rather sweet, quite powerful but definitely worth a try.

For lunches, St John's offers several reasonable restaurants including the Yard, Brother B's and Wolfe's or there is a do-it-yourself barbecue restaurant on the beach at Buccaneer Cove hotel.

The best restaurant on the island is probably Le Bistro which as its name suggests is French run. Le Bistro is out of town and has a good view

list but be warned—the frogs legs are enormous. Tel 23881 for reservations.

Curtain Bluff Hotel on the other side of the island also offers an extensive wine list, superb service and good food together with a real palm court setting complete with band and pink-painted North Americans with their second wives. Allow 40 minutes to get there from St John's.

Transport

Getting around the island is fairly easy but can be expensive in taxis which do not have meters and usually charge in U.S. dollars. Car hire is the alternative and there are a large number of agencies including an Avis agent (at the Barrymore Hotel) and Hertz agent which offer medium-sized Japanese cars at reasonable rates. You need a driving licence to obtain a local driving permit.

Following the roads can be difficult because most of them lack street names and signposts are a rarity—it is said, only half jokingly, that the taxi drivers have taken them down to dissuade the self-drivers.

Clothing

Dress in informal short sleeves almost everywhere although some hotels insist on ties for dinner (including the Curtain Bluff).

Sunburn lotion is essential because the tropical sun is fierce and the day time temperature rarely drops below 80 degrees F. An umbrella is also useful for the afternoon tropical showers and on some beaches

anti-fly lotion is essential to ward off the sandflies, particularly in the early morning and evening.

Communications

The domestic telephone service is a little patchy, overseas telephone calls can take a few minutes to come through and are expensive—the time difference with the UK is four hours behind GMT. Some hotels have telexes and Cable and Wireless run a public telex office in St. John's.

Business advice

Aside from several well-established local banks three Canadian banks, the Royal Bank of Canada, Canadian Imperial Bank of Commerce and the Bank of Nova Scotia, have branches on the island together with Barclays Bank. Investment advice is also available from a growing number of business consultants, accountants and investment banks on the island but some basic statistics are not available in up-to-date form. Government ministers are accessible and helpful. The pace is slow and allowance should be made for late appointments.

Getting there

From Europe British Airways has twice weekly non-stop 747 flights to Antigua but services get full in the high (winter) season so book both ways and reconfirm once there. Tel: 20876. Air Canada, American Airlines and Eastern Airlines have scheduled flights from North America. BWIA and Liat, the local carrier, provide inter-island and regional services.

Currency

The local currency is the East Caribbean dollar pegged to the U.S. dollar at the rate of U.S.\$1 = EC\$2.7. However the U.S. currency is in free circulation and widely accepted.

Miscellaneous

Do not bother to buy duty-free, alcohol is cheaper on the island in one of the wine shops or two main supermarkets. Cigarettes and cigars are harder to buy and not particularly cheap. Visas, vaccinations and health certificates are not usually required for citizens of many countries but check before leaving. Both the UK and the U.S. maintain consulates in St. John's. Tipping is not necessary in most hotels; cricket is the national sport and worth watching if the chance arises.

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Companies and Markets

COMMODITIES AND AGRICULTURE

FARMER'S VIEWPOINT

Tyranny of distance puts New Zealand on rack

Zealand farmer is receiving a government supplement of about 20 per cent in his price. I have particularly drawn attention to New Zealand because of all the countries involved in world trade it is probably the most dependent on agricultural exports. But the picture is the same wherever farm exports are a significant proportion of earnings.

Of course New Zealand's situation is made worse by distance from the main markets for temperate products in spite of extraordinary efforts to divert trade away from Britain, which have achieved a measure of success. There are great difficulties elsewhere, particularly in the near East and there are tariff barriers almost everywhere.

Although the dairy product market is showing more resilience, the butter quota to the UK must be in question if the forecasts of the shrinking UK market turn out to be correct. The estimate is that by 1985, butter consumption in Britain will have fallen to 185,000 tonnes, rather less than present UK production.

It is fashionable for primary producing countries to blame the EEC's Common Agricultural Policy for their problem because of high tariffs and lately because of the effects of subsidised exports onto their own traditional markets. In this respect New Zealand can't go too far.

What really seems to be in question is the ability of a country of 3m people to maintain its present high standard of living on the output of an agriculture which directly only employs a small proportion of the population. There are few other resources, although some energy will become available in due course but there is no real industrial base.

The New Zealand authorities recognise this, and have encouraged moves to a more intensified type of farming with some success. Most notable of these has been Kiwi Fruit for which there is a good export demand and there are large expansion schemes. Even so, after five years, exports of horticulture and other non-traditional products amount to only 5 per cent of all agricultural exports.

The real villain of the piece is what the Australian Professor Blaney called the "Tyranny of Distance"—the high economic cost of transporting high volume, comparatively low value, commodities to markets across the world. This has been aggravated by inflation and high energy costs which show no signs of abating.

It is worth mentioning that in the Falkland Islands today surplus sheep are simply killed as there is no export market. Before refrigeration New Zealand farmers did the same. Refrigeration has supported the country for a century. What miracle will support it for the next?

Thailand seeks tapioca support BANGKOK—Thailand will ask France to support its proposal to sell 300,000 tonnes of additional tapioca to the EEC, said Mr Punnee Punasri, the Commerce Minister.

He said the Government will request this in talks with Mr Michel Jobert, the French Foreign Trade Minister, who will visit Bangkok on Sunday. Under the current agreement Thailand's quota is to export 5m tonnes of tapioca to the EEC, but exporters have been pressing the Government for an extra quota.

Mr Punnee said Thailand had so far this year exported 2.8m tonnes of tapioca to the EEC.

Move to tighten meat regulations

PROPOSED regulations to clamp down on the use of meat unfit for human consumption are being circulated by the Ministry of Agriculture. Among the proposed changes to the existing Meat (Sterilisation) Regulations of 1969 would be one making it an offence not to stain unfit and knacker meat not sterilised in the abattoir before it left the premises. This would not apply to offal or poultry meat.

Imports of such meat, unstained or unsterilised, would be effectively prohibited. Any stained meat entering the country that had not been sterilised would only be permitted entry on the condition that it was sent direct to a processor for sterilisation. Stricter controls on the movement of unfit meat generally are also sought by the new regulations.

Commodity conference

SOVIET commodity dealings have become a major factor influencing the world markets over the last decade. How Moscow's commodity buying and sales will affect Western markets in the next 10 years is the subject of a conference to be held on July 8.

The Soviet Union and the World's Commodity Markets in the 1980's conference will seek to answer whether Russia's long-term grain and sugar production plans will lead to a fall in its dependence on the West and what the pattern will be of its base and strategic metals purchases.

The conference is organised by Resource Surveys at the Cafe Royal, London.

Dock strike threatens European grain supplies

THE STRIKE by grain transhipment workers at Rotterdam Harbour is having a serious effect on Western Europe's supplies of cereals, soya beans and other oil seeds. Several large suppliers have declared force majeure and have told their customers they cannot honour their contracts.

The situation in West Germany is particularly bad, although a number of incoming vessels have been redirected to Hamburg in an attempt to ease the situation. Sympathy action by dockers in other Dutch and Belgian ports has added to the problem, and the position of supplies diverted to Antwerp and Ghent is far from clear.

Workers in the Port of Amsterdam mounted their own 24-hour strike on Wednesday, and union leaders here said they will block any

Fishermen fear for their future

FOLLOWING THE setting aside of Britain's veto on EEC farm price proposals in Brussels this week UK fishermen fear their own vital interests could be overridden in a similar way in negotiations later this year. Talks on the EEC fishing policy have dragged on since Britain first joined the Community and are still hung up over Britain's insistence on exclusive access for its fishermen in a 12-mile hand around its coast.

"If the position of Britain's 20,000 fishermen was precariously balanced before, the very survival of the industry must now be in question," the National Federation of Fishermen's Organisations said yesterday.

Declared force majeure on Wednesday over soya beans and soyamul for May delivery. Central Soya of Utrecht claims it can still meet some of its commitments and hopes force majeure in its case will be only partial.

CEM, which handles 90 per cent of Rotterdam's traffic in the sector, had expected 455,000 tonnes of supplies this week. 205,000 tonnes of grain and oil seeds and 250,000 tonnes of derivatives. Ten ships were yesterday waiting in Rotterdam harbours to discharge their cargoes, and two more vessels were waiting outside.

Meanwhile, a parallel strike in Rotterdam by 1,000 ore dockers employed by Frans Swartman and EMO has entered its third week. The union in this case is also seeking more holidays as well as a wage rise.

Caribbean sugar decline continues

THE CANE SUGAR industry in the Commonwealth Caribbean is heading for another bitter harvest. There is no end in sight to the decline which set in a decade and a half ago. Low production combined with currently low prices, has set back the economy of the countries in the region which continue to depend on cane sugar exports for much of their foreign earnings.

The exporters will again have difficulty meeting the quotas and some, like Jamaica, must again indulge in the farce of having to export to meet quotas and maintain access to markets, and then import to satisfy domestic market needs.

The Commonwealth Caribbean producers—Guyana, Trinidad and Tobago, Barbados and Jamaica—seem headed for total output of about 700,000 tonnes this year, compared to about 730,000 tonnes last year. Output 15 years ago average 1.4m tonnes a year.

The producers have been afflicted by a number of adverse factors, mainly strikes, poor weather and lack of attention in some cases. In Guyana, where the country's 10 factories have a combined rated capacity of 450,000 tonnes per year, there

are already indications that the industry will not reach the target of 340,000 tonnes, and may fall below the 300,750 tonnes of last year.

Latest figures from the Guyana Sugar Corporation show that the current crop is running 25 per cent behind its target. It has been affected by strikes by workers protesting against austerity measures imposed recently by the Government, and by poor weather.

Rainfall caused semi-flood conditions at some locations and burning operations were severely curtailed on all estates," said the Corporation. Earnings from the industry last year fell \$27m below projections. The deficit is expected to be larger on the current crop.

Losses are also expected in Trinidad, where the industry could lose about \$550 on every tonne of sugar because of high production costs. The losses could be more than expected. Caroni, the country's largest producer, has just agreed to pay increases in wages to sugar workers. A recent spate of fires has also endangered a crop target of 117,000 tonnes for this year. There was not much optimism at the outset that the target

BRITISH COMMODITY MARKETS

Table with columns for Commodity, Unit, Price, and Change. Includes sections for BASE METALS, COPPER, LEAD, and ZINC.

SOYABEAN MEAL PRICE CHANGES

Table showing price changes for Soyabean Meal in tonnes, with columns for May 20, 1982, and Month age.

GAS OIL FUTURES

Table showing gas oil futures prices for various months, including May, June, and August.

GRAINS

Table showing grain prices for various commodities like Wheat, Barley, and Oats.

SILVER

Table showing silver prices in various units and currencies.

COCOA

Table showing cocoa prices for different grades and origins.

COFFEE

Table showing coffee prices for various types and origins.

COTTON

Table showing cotton prices for different grades and origins.

AMERICAN MARKETS

Table showing American market prices for various commodities like Wheat, Soybeans, and Corn.

Wool Futures

Table showing wool futures prices for different grades.

Meat/Vegetables

Table showing prices for meat and vegetable commodities.

Potatoes

Table showing potato prices for different varieties.

London Futures

Table showing London futures prices for various commodities.

Wool Futures

Table showing wool futures prices for different grades.

Meat/Vegetables

Table showing prices for meat and vegetable commodities.

Potatoes

Table showing potato prices for different varieties.

WEDNESDAY'S CLOSING PRICES

Table showing closing prices for various commodities on Wednesday.

Wool Futures

Table showing wool futures prices for different grades.

Meat/Vegetables

Table showing prices for meat and vegetable commodities.

Potatoes

Table showing potato prices for different varieties.

London Futures

Table showing London futures prices for various commodities.

Wool Futures

Table showing wool futures prices for different grades.

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Potatoes

Table showing potato prices for different varieties.

The Gas Oil Futures Review advertisement, including contact information for Inter Commodities Limited.

COCOA advertisement, including contact information for a cocoa trader.

COFFEE advertisement, including contact information for a coffee trader.

Wool Futures advertisement, including contact information for a wool trader.

Companies and Markets

NEW YORK

Table of stock prices for various companies in New York, including columns for Stock, May 19, and May 18.

Stock

Table of stock prices for various companies, including columns for Stock, May 19, and May 18.

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NEW YORK

Table of indices for New York, including Dow Jones and S&P 500, with columns for May 19, May 18, and High/Low.

Stock

Table of stock prices for various companies, including columns for Stock, May 19, and May 18.

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WORLD STOCK MARKETS

Dow Jones sheds further 1.5

WALL STREET continued its week-long decline amid concern over the sluggish U.S. economy...

The Dow Jones Industrial Average shed a further 1.52 to 843.38, adding to the loss of 4.9 incurred on Wednesday...

Prices closed mixed-to-easier in quiet trading after early gains were eroded by late liquidations...

Elsewhere, Fraser and Neave fell 25 cents to \$88.75. Transmarco fell to \$84.50 and rose to \$84.70 before closing at \$84.50...

West of North America, the most active stock, picked up 25 cents to \$13 on more than 540,000 shares...

Also heavily traded and slightly higher were Schlitz, Citicorp, Warner Communications and Standard Oil of Indiana...

Elsewhere, Carrigan finished at HK\$3.72, a decline against a previous HK\$4.25. Far East Consortium picked up 4.5 cents to HK\$2.025...

The market closed mainly easier, unable to find chances for a rally, in thin trading yesterday.

Markets declined further with prices down over a broad range. The Toronto Composite Index retreated almost 15 points to 1,606.4 on volume of 2.4m shares...

Most active Dome Petroleum shed 75 cents to \$7.25 on turnover of 27,720 shares. One analyst said the weakening reflected continuing concern over Dome's debt...

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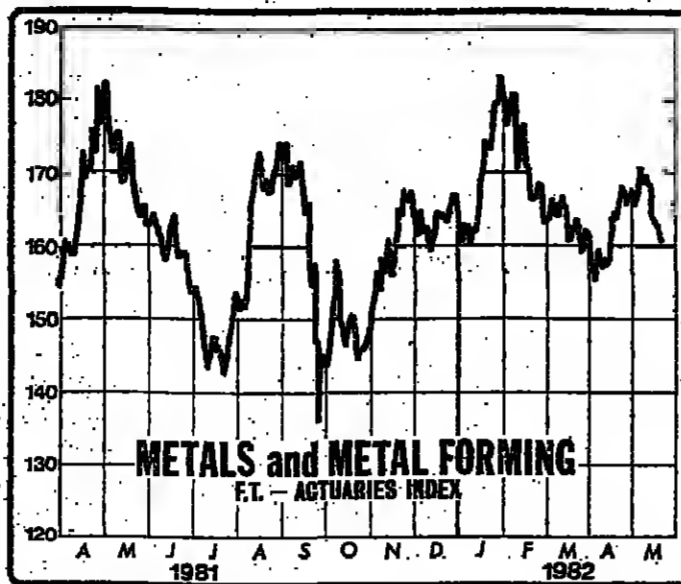
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Markets remain extremely nervous against backdrop of Falklands uncertainties - Share index down 7.5

Account Dealing Dates
Option
First Declared Last Account
Dealings from Dealings Day
May 13 May 14 May 14
May 17 June 3 June 4 June 14
June 7 June 17 June 18 June 23



trading statements prompted occasional firm features. Renewed weakness in sterling against the dollar and other international currencies set the seal for another poor day in British Fuels. Losses ranging to 1 were widespread in medium and long-dated issues, while the shorts recorded fresh falls extending to 1.

and Middle East Bank did not announce bid terms when it declared itself the mystery buyer of Mass Development of Kuwait's 11 per cent stake. The major electrical bid from the company profits warning, while Costain, a weak market since the preliminary results, lost another 10 more at 224p. Tarmac declined 5 to 554p and Redial 4 to 164p.

FINANCIAL TIMES STOCK INDICES table with columns for May 20, May 19, May 18, May 17, May 16, May 15, and a year ago. Rows include Government Secs, Fixed Interest, Industrial, Gold Mines, Ord. Div. Yield, Earnings, P/E Ratio, Total Gains, Equity Turnover, and Equity Gains.

Quietly dull conditions prevailed in Buildings. Blue Circle shed 4 for a three-day fall of 94 to 460p on the company's profits warning, while Costain, a weak market since the preliminary results, lost another 10 more at 224p. Tarmac declined 5 to 554p and Redial 4 to 164p.

HIGHS AND LOWS and S.E. ACTIVITY tables. Highs and Lows table shows price ranges for Govt. Secs, Fixed Int., Ind. Ord., and Gold Mines. S.E. Activity table shows daily changes for Govt. Secs, Fixed Int., Ind. Ord., and Gold Mines.

Leading Stores mirrored the trend. G.P. gave up 2 to 475p and Marks and Spencer cheapened 3 to 152p as did Burton, to 150p. Woolworth touched a 1982 low of 43p before closing unaltered at 44p with the market seemingly unimpressed by the board changes and prospect of the U.S. parent taking direct management control.

FT-ACTUARIES SHARE INDICES

Table of FT-ACTUARIES SHARE INDICES for Thursday May 20 1982. Columns include Index No., Day's Change, and Year Ago. Rows are categorized by EQUITY GROUPS & SUB-SECTIONS and FIXED INTEREST.

NEW HIGHS AND LOWS FOR 1982

Table of NEW HIGHS AND LOWS FOR 1982. Columns include Index No., High, Low, and Year Ago. Rows are categorized by EQUITY GROUPS & SUB-SECTIONS and FIXED INTEREST.

Table of RISES AND FALLS YESTERDAY. Columns include Index No., Rise/Fall, and Year Ago. Rows are categorized by EQUITY GROUPS & SUB-SECTIONS and FIXED INTEREST.

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cheapened 6 to 220p and Beecham gave up 4 to 200p. Elsewhere, Johnson Group came at 227p, lost 5 of the previous day's rise of 9 following the chairman's bid denial at the annual meeting. Other laundry and dry-cleaning issues also took a turn for the worse with Initial Services closing 9 lower at 245p and Skehtley 6 easier at 271p. Still reflecting Tuesday's announcement of the £17m U.S. acquisition and a proposed £10m share placing to partly finance the deal, Wolsley-Hughes fell 15 further to 355p while Advance Services lost 3 to 53p on further consideration of the lower profits. Portals added 8 at 840p and Xerox firmed 5 more to 315p; the latter's preliminary results are next Thursday.

Proceedings in Motor Distributors were enlivened by Lookers' surprise bid for Braid Group, the latter put on 9 to a 1982 peak of 51p compared with Lookers' 50p share on Tuesday. Lookers slipped to 45p before regaining the overnight level of 47p. The development sparked speculative interest in Adams and Gibson, which gained 4 to 91p, while H. and J. Quick, 58p, and H. Young, 42p, despite the relative steadiness of the bullion price which held around the \$342 level prior to closing 25 cents easier at \$342.25.

The Gold Mines index moved up 2 1/2 to 249.9 - its highest since April 23. Heavyweights were featured by AngloGold, a point firmer at £27 while medium and lower-priced stocks showed Blyvoor 13 ahead at 492p.

Leading Oils steady
The oil majors marked time and closed without alteration. Elsewhere, Tritelchee cheapened 4 to 200p and Lasso 5 to 225p, while Ultramar gave up 8 to 405p. Sovereign also shed 8 to 317p, while on-shore explorer Candecora relinquished 4 to 206p. Recently, dull Canadian oils

RECENT ISSUES

Table of RECENT ISSUES. Columns include Issue Price, Amount Paid, Latest Return, and Stock. Rows list various companies like AIM Group, AngloGold, and others.

FIXED INTEREST STOCKS

Table of FIXED INTEREST STOCKS. Columns include Issue Price, Amount Paid, Latest Return, and Stock. Rows list various fixed interest securities.

"RIGHTS" OFFERS

Table of "RIGHTS" OFFERS. Columns include Issue Price, Amount Paid, Latest Return, and Stock. Rows list various rights offers.

Renunciation date usually last day for dealing free of stamp duty. Figures based on prospectus estimates. A dividend rate paid on payable on part of capital; cover based on dividend on full capital. A assumed dividend and yield. C indicated dividend; cover relates to previous dividend. P/E ratio based on latest available earnings. F indicated dividend; cover relates to previous dividend. P/E ratio based on latest available earnings. F indicated dividend; cover relates to previous dividend. P/E ratio based on latest available earnings.

ACTIVE STOCKS

Table of ACTIVE STOCKS. Columns include Stock, Closing Price, Day's Change, and Stock. Rows list various active stocks.

WEDNESDAY'S ACTIVE STOCKS

Table of WEDNESDAY'S ACTIVE STOCKS. Columns include Stock, No. of Shares, Price, Day's Change, and Stock. Rows list various active stocks from Wednesday.

WORLD VALUE OF THE DOLLAR

Table of WORLD VALUE OF THE DOLLAR. Columns include Country, Currency, Value of Dollar, and Value of Dollar. Rows list various countries and their currencies.

n.s. Not available. (m) Market rate. * U.S. dollars per National Currency unit. (o) Official rate. (c) Commercial rate. (f) Financial rate. (1) Egypt - Floating rate fixed daily by Central Bank of Egypt for Importers, Exporters, Tourists. (2) Argentina - devalued by approx 17 per cent 5/5/82. (3) Somalia - Parallel exchange rates introduced July 1 - essential imports. (4) Somalia - Commercial and Non-Essential Imports and Transfers. (5) Malawi - devalued 25/4/82. (6) Ecuador - devaluation by 30 per cent 14/5/82.

Companies and Markets

CURRENCIES and MONEY

FT UNIT TRUST INFORMATION SERVICE

MONEY MARKETS

UK clearing bank base lending rate 13 per cent (since March 12)

Day to day credit was in short supply in the London money market yesterday and the Bank of England forecast a shortage of £350m. Factors affecting the market included bills maturing in official hands and a net take up of Treasury bills—£167m and Eschequer transactions—£150m.

noon help was made up of purchases in band 3 of £31m of eligible bank bills at 12 1/2 per cent and in band 4 £10m of Treasury bills, £19m of local authority bills and £4m of eligible bank bills at all 12 1/2 per cent. Trading was again very quiet as the market awaited further developments in the Falkland Islands crisis.

Gold fell \$1 to \$341.3421 in very quiet London bullion trading, with other European centres closed for Ascension Day. The metal opened at \$340.3411, and was fixed at \$341.50 in the morning, and \$342.50 in the afternoon. It touched a peak of \$343.3494, and a low of \$340.341.

CURRENCIES

London was one of the few major foreign exchange centres open yesterday. Trading also took place in Milan, Frankfurt, Paris, Zurich, Amsterdam, and several others were closed for the Ascension Day holiday, while Brussels will remain closed today.

The Bank of England probably intervened to give support to sterling, although the level of trading was generally very thin. The pound opened at \$1.7845-1.7855, and touched a peak of \$1.7880-1.7890, before falling to \$1.7850-1.7860 at noon. Fears of an imminent invasion of the Falkland Islands by British forces pushed sterling down to a low of \$1.7730-1.7740, and it closed at \$1.7790-1.7800, a fall of 1.70 cents on the day.

On Bank of England figures the pound's trade-weighted index fell to 86.6 from 89.4, after standing at 89.0 at noon, and 89.1 in the morning. Sterling Eurocurrency interest rates were little changed, as currencies drifted in very limited trading, but Eurodollar rates had a weaker tone.

fell to DM 4.13 from DM 4.17 against the D-mark; to FF 10.74 from FF 10.5750 against the French franc; to SwFr 3.8550 from SwFr 3.8550 in terms of the Swiss franc, and to Y424.50 from Y435.50 against the yen.

The dollar's index rose to 113.5 from 113.4. The U.S. currency fell to DM 2.32 from DM 2.3205; to FF 6.0375 from FF 6.0500; to SwFr 1.9740 from SwFr 1.9780; and to Y238.40 from Y239.10.

In New York early trading was very steady, because of the holiday in most major European centres. Sterling had a weaker tone, but the Japanese yen was little changed despite earlier intervention by the Bank of Japan in Tokyo to support the yen.

Eurocurrency interest rates were little changed, as currencies drifted in very limited trading, but Eurodollar rates had a weaker tone.

THE POUND SPOT AND FORWARD

Table with columns: Day's spread, Close, One month, % p.a., % p.a. Three months. Rows include US, Canada, Denmark, France, Germany, Italy, Japan, etc.

THE DOLLAR SPOT AND FORWARD

Table with columns: Day's spread, Close, One month, % p.a., % p.a. Three months. Rows include UK, Ireland, Canada, Denmark, France, Germany, Italy, Japan, etc.

EXCHANGE CROSS RATES

Table with columns: May 20, Pound Sterling, U.S. Dollar, Deutschmark, Japanese Yen, French Franc, Swiss Franc, Dutch Guilder, Italian Lira, Canadian Dollar, Belgian Franc. Rows include Pound Sterling, Deutsche Mark, French Franc, etc.

FT LONDON INTERBANK FIXING (11.00 a.m. MAY 20)

Table with columns: 3 months U.S. dollars, 6 months U.S. dollars. Rows include bid 14 11/16, offer 14 13/16, bid 14 11/16, offer 14 13/16.

LONDON MONEY RATES

Table with columns: May 20, Sterling Certificate of deposit, Interbank, Local Authority deposits, Finance House Deposits, Company Deposits, Discount Market Deposits, Treasury Bills, Eligible Bills, Prime Trade Bills. Rows include Overnight, 2 days notice, 7 days notice, etc.

MONEY RATES

Table with columns: NEW YORK, Prime rate, Fed. funds (lunch-time), Treasury bills (13-week), Treasury bills (26-week). Rows include Prime rate, Fed. funds, Treasury bills.

Local authorities and finance houses seven days notice, other seven days fixed long-term local authority mortgage rates, nominally three and a half per cent; four years 10 per cent; five years 13 per cent; six years 14 per cent; eight years 15 per cent; ten years 16 per cent. Buy rates for prime assets, buy rates for four-month bank bills 12 1/2 per cent; four-month trade bills 13 1/2 per cent.

EURO-CURRENCY INTEREST RATES (Market closing rates)

Table with columns: May 20, Sterling, U.S. Dollar, Canadian Dollar, Dutch Guilder, Swiss Franc, D-mark, French Franc, Italian Lira, Belgian Franc, Yen, Danish Krone. Rows include Short term, 7 days notice, Month, Three months, Six months, One year, Two years.

EMS EUROPEAN CURRENCY UNIT RATES

Table with columns: May 20, ECU central rates, Currency amounts, % change from central rates, % change from adjusted divergence. Rows include Belgium, Denmark, Germany, France, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain, UK, etc.

OTHER CURRENCIES

Table with columns: May 20, Argentina Peso, Australian Dollar, Brazilian Real, Canadian Dollar, Danish Kroner, Deutsche Mark, Dutch Guilder, French Franc, German Mark, Hong Kong Dollar, Indian Rupee, Iranian Rial, Japanese Yen, Korean Won, Kuwaiti Dinar, Malaysian Ringgit, New Zealand Dollar, Pakistani Rupee, Singapore Dollar, South African Rand, Sri Lankan Rupee, Thai Baht, Turkish Lira, Yugoslav Dinar.

GOLD MARKETS

Table with columns: May 20, Gold Bullion (fine ounce), Close, Opening, Morning fixing, Afternoon fixing. Rows include Close, Opening, Morning fixing, Afternoon fixing.

CURRENCY MOVEMENTS

Table with columns: May 20, Sterling, U.S. Dollar, Canadian Dollar, Australian Dollar, Swiss Franc, D-mark, French Franc, Italian Lira, Belgian Franc, Yen, Danish Krone. Rows include Sterling, U.S. Dollar, Canadian Dollar, etc.

CURRENCY RATES

Table with columns: May 20, Sterling, U.S. Dollar, Canadian Dollar, Australian Dollar, Swiss Franc, D-mark, French Franc, Italian Lira, Belgian Franc, Yen, Danish Krone. Rows include Sterling, U.S. Dollar, Canadian Dollar, etc.

AUTHORISED TRUSTS. A large grid listing various trust companies and their authorized unit trusts. Includes columns for company name, address, and phone number. Lists include Abbey Unit Tr. Mgrs., Anson Unit Tr. Mgrs., etc.

INVEST IN 50,000 BETTER TOMORROWS! 50,000 people in the United Kingdom suffer from progressively paralysing MULTIPLE SCLEROSIS—the cause and cure of which are still unknown—HELP US BRING THEM RELIEF AND HOPE. We need your donation to enable us to continue our work for the CARE and WELFARE OF MULTIPLE SCLEROSIS sufferers and to continue our commitment to find the cause and cure of MULTIPLE SCLEROSIS through MEDICAL RESEARCH.

Joanne 11/20

INSURANCES

Table listing various insurance companies and their products, including Amey Life Assurance Co. Ltd., Amey Life Assurance Ltd., and Amey Life Assurance Co. Ltd. (repeated).

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OFFSHORE AND OVERSEAS

Table listing offshore and overseas investment funds, including Amey Life Assurance Co. Ltd. (repeated), Amey Life Assurance Ltd. (repeated), and Amey Life Assurance Co. Ltd. (repeated).

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NOTES: Prices are in pence unless otherwise indicated and those designated S with no prefix refer to U.S. dollars. Prices are given in last column show for all currencies. In today's paper, a 'V' indicates an offer to sell and a 'B' indicates an offer to buy. A 'D' indicates a distribution free of 10% premium price. A 'P' indicates a premium price. A 'S' indicates a special price. A 'T' indicates a tender price. A 'W' indicates a withdrawal price. A 'Y' indicates a yield price. A 'Z' indicates a zero price. A '0' indicates a zero price. A '1' indicates a one price. A '2' indicates a two price. A '3' indicates a three price. A '4' indicates a four price. A '5' indicates a five price. A '6' indicates a six price. A '7' indicates a seven price. A '8' indicates an eight price. A '9' indicates a nine price. A '10' indicates a ten price. A '11' indicates an eleven price. A '12' indicates a twelve price. A '13' indicates a thirteen price. A '14' indicates a fourteen price. A '15' indicates a fifteen price. A '16' indicates a sixteen price. A '17' indicates a seventeen price. A '18' indicates an eighteen price. A '19' indicates a nineteen price. A '20' indicates a twenty price. A '21' indicates a twenty-one price. A '22' indicates a twenty-two price. A '23' indicates a twenty-three price. A '24' indicates a twenty-four price. A '25' indicates a twenty-five price. A '26' indicates a twenty-six price. A '27' indicates a twenty-seven price. A '28' indicates a twenty-eight price. A '29' indicates a twenty-nine price. A '30' indicates a thirty price. A '31' indicates a thirty-one price. A '32' indicates a thirty-two price. A '33' indicates a thirty-three price. A '34' indicates a thirty-four price. A '35' indicates a thirty-five price. A '36' indicates a thirty-six price. A '37' indicates a thirty-seven price. A '38' indicates a thirty-eight price. A '39' indicates a thirty-nine price. A '40' indicates a forty price. A '41' indicates a forty-one price. A '42' indicates a forty-two price. A '43' indicates a forty-three price. A '44' indicates a forty-four price. A '45' indicates a forty-five price. A '46' indicates a forty-six price. A '47' indicates a forty-seven price. A '48' indicates a forty-eight price. A '49' indicates a forty-nine price. A '50' indicates a fifty price. A '51' indicates a fifty-one price. A '52' indicates a fifty-two price. A '53' indicates a fifty-three price. A '54' indicates a fifty-four price. A '55' indicates a fifty-five price. A '56' indicates a fifty-six price. A '57' indicates a fifty-seven price. A '58' indicates a fifty-eight price. A '59' indicates a fifty-nine price. A '60' indicates a sixty price. A '61' indicates a sixty-one price. A '62' indicates a sixty-two price. A '63' indicates a sixty-three price. A '64' indicates a sixty-four price. A '65' indicates a sixty-five price. A '66' indicates a sixty-six price. A '67' indicates a sixty-seven price. A '68' indicates a sixty-eight price. A '69' indicates a sixty-nine price. A '70' indicates a seventy price. A '71' indicates a seventy-one price. A '72' indicates a seventy-two price. A '73' indicates a seventy-three price. A '74' indicates a seventy-four price. A '75' indicates a seventy-five price. A '76' indicates a seventy-six price. A '77' indicates a seventy-seven price. A '78' indicates a seventy-eight price. A '79' indicates a seventy-nine price. A '80' indicates an eighty price. A '81' indicates an eighty-one price. A '82' indicates an eighty-two price. A '83' indicates an eighty-three price. A '84' indicates an eighty-four price. A '85' indicates an eighty-five price. A '86' indicates an eighty-six price. A '87' indicates an eighty-seven price. A '88' indicates an eighty-eight price. A '89' indicates an eighty-nine price. A '90' indicates a ninety price. A '91' indicates a ninety-one price. A '92' indicates a ninety-two price. A '93' indicates a ninety-three price. A '94' indicates a ninety-four price. A '95' indicates a ninety-five price. A '96' indicates a ninety-six price. A '97' indicates a ninety-seven price. A '98' indicates a ninety-eight price. A '99' indicates a ninety-nine price. A '100' indicates a hundred price.

Chestertons FOR ALL COMMERCIAL PROPERTY

FT SHARE INFORMATION SERVICE

FOOD, GROCERIES—Cont.

LOANS—Continued

BANKS & H.P.—Cont.

CHEMICALS, PLASTICS—Cont.

ENGINEERING—Continued

BRITISH FUNDS

Table of British Funds with columns for Stock, Price, and Yield.

Table of Financial stocks with columns for Stock, Price, and Yield.

Table of Banks & H.P. stocks with columns for Stock, Price, and Yield.

Table of Chemicals, Plastics stocks with columns for Stock, Price, and Yield.

Table of Engineering stocks with columns for Stock, Price, and Yield.

FOREIGN BONDS & RAILS

Table of Foreign Bonds & Rails with columns for Stock, Price, and Yield.

AMERICANS

Table of American stocks with columns for Stock, Price, and Yield.

DRAPERY AND STORES

Table of Drapery and Stores stocks with columns for Stock, Price, and Yield.

HOTELS AND CATERERS

Table of Hotels and Caterers stocks with columns for Stock, Price, and Yield.

INDUSTRIALS (Miscel.)

Table of Industrial (Miscellaneous) stocks with columns for Stock, Price, and Yield.

Five to Fifteen Years

Table of Five to Fifteen Years funds with columns for Stock, Price, and Yield.

Over Fifteen Years

Table of Over Fifteen Years funds with columns for Stock, Price, and Yield.

Undated

Table of Undated funds with columns for Stock, Price, and Yield.

Index-Linked & Variable Rate

Table of Index-Linked & Variable Rate funds with columns for Stock, Price, and Yield.

BEERS, WINES AND SPIRITS

Table of Beers, Wines and Spirits stocks with columns for Stock, Price, and Yield.

BUILDING INDUSTRY, TIMBER AND ROADS

Table of Building Industry, Timber and Roads stocks with columns for Stock, Price, and Yield.

ELECTRICALS

Table of Electricals stocks with columns for Stock, Price, and Yield.

INT. BANK AND O'SEAS GOVT. STERLING ISSUES

Table of International Bank and Overseas Government Sterling Issues with columns for Stock, Price, and Yield.

CANADIANS

Table of Canadian stocks with columns for Stock, Price, and Yield.

BANKS AND HIRE PURCHASE

Table of Banks and Hire Purchase stocks with columns for Stock, Price, and Yield.

LOANS

Table of Loans with columns for Stock, Price, and Yield.

COMMONWEALTH AND AFRICAN LOANS

Table of Commonwealth and African Loans with columns for Stock, Price, and Yield.

Public Bond and Ind.

Table of Public Bond and Industrial stocks with columns for Stock, Price, and Yield.

REGULATED COMPANIES

Table of Regulated Companies with columns for Stock, Price, and Yield.



Stock up For further information. The Rioja Wine Information Centre, 140 Cromwell Road, London SW7 4HA.

Chemicals, Plastics

Table of Chemicals and Plastics stocks with columns for Stock, Price, and Yield.

Engineering Machine Tools

Table of Engineering Machine Tools stocks with columns for Stock, Price, and Yield.

FOOD, GROCERIES, ETC.

Table of Food, Groceries, Etc. stocks with columns for Stock, Price, and Yield.

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INDUSTRIALS—Continued

Table of industrial stocks including companies like British Petroleum, Shell, and various manufacturing firms, with columns for stock price, change, and volume.

LEISURE—Continued

Table of leisure and entertainment stocks including British Sky Broadcasting, Channel 4, and other media companies.

PROPERTY—Continued

Table of real estate and property-related stocks including British Land, Granada, and other property developers.

INVESTMENT TRUSTS—Cont.

Table of investment trusts such as British Venture, British Venture Income, and other asset management funds.

OIL AND GAS—Continued

Table of oil and gas stocks including British Petroleum, Shell, and other energy companies.

MINES—Continued

Table of mining stocks categorized by region: Central African, Australian, and Miscellaneous, listing companies like Anglo-American and various regional miners.

MOTORS, AIRCRAFT TRADES

Table of motor vehicles and aircraft-related stocks including Rover, Jaguar, and other automotive companies.

SHIPPING

Table of shipping and maritime stocks including British Overseas Airways and other shipping companies.

SHOES AND LEATHER

Table of shoe and leather goods stocks including Clarks and other footwear manufacturers.

SOUTH AFRICANS

Table of South African stocks including Anglo-American and other companies listed on the Johannesburg exchange.

TEXTILES

Table of textile and clothing stocks including British Textiles and other apparel manufacturers.

NEWSPAPERS, PUBLISHERS

Table of newspaper and publishing stocks including News International and other media publishers.

PAPER, PRINTING ADVERTISING

Table of paper, printing, and advertising stocks including British Paper and other related companies.

TOBACCO

Table of tobacco stocks including British American Tobacco and other tobacco companies.

TRUSTS, FINANCE, LAND

Table of trusts, finance, and land-related stocks including various investment and financial services companies.

PROPERTY

Table of property-related stocks including British Land and other real estate companies.

INSURANCE

Table of insurance stocks including British American Insurance and other insurance companies.

LEISURE

Table of leisure and entertainment stocks including British Sky Broadcasting and other media companies.

OVERSEAS TRADERS

Table of overseas trading companies including Anglo-Siam and other international traders.

RUBBERS AND SISALS

Table of rubber and sisal stocks including various commodity trading companies.

TEAS

Table of tea stocks including various commodity trading companies.

MINES

Table of mining stocks including Anglo-American and other regional miners.

REGIONAL MARKETS

Table of regional market indices and stock prices for various countries and regions.

OPTIONS

Table of options contracts including various financial derivatives and their market prices.

NOTES: Unless otherwise indicated, prices and net dividends are in pence and denominated in 25p. Estimated price/earnings ratios and covers are based on latest available figures. Dividends are shown in pence unless otherwise stated. Dividends are shown in pence unless otherwise stated. Dividends are shown in pence unless otherwise stated.

